

Melissa Browne is an author, financial educator, accountant, speaker and entrepreneur. She is CEO of the financial education business The Money Barre, co-founder of the long day preschools & learning centres Thinkers.inq, and in 2019 she sold her award-winning accounting and advisory firm A&TA.

Melissa writes a regular column for the Money section in *The Sydney Morning Herald* and Melbourne's *The Age*, and she has been a regular contributor to the *CEO Magazine* and *Latte* magazine. She is regularly asked to appear on TV and radio and at conferences to speak about money, finances and business (and occasionally shoes), including the Today Show, Weekend Sunrise, Weekend Today, Sky Business, Triple J and Vivid Sydney. She has also been featured in, or written articles for, *Cosmopolitan*, *Who*, *Vogue*, *Elle*, *Huffington Post*, *Collective Hub*, *Harper's Bazaar*, *Rendezvous*, *Madison* and more. In 2013 Melissa was featured as one of Australia's 100 most inspiring women in *Madison* magazine, and in 2016 she was named one of the *Financial Review's* 100 Women of Influence.

VISIT...

LANZAROTE
Caliente.COM

VISIT...

LANZAROTE
Caliente.COM

DROP THE ONE-SIZE-FITS-ALL APPROACH TO MONEY
AND DISCOVER THE POWER OF UNDERSTANDING
YOUR UNIQUE FINANCIAL TYPE

~~BUDGETS~~ ~~DON'T~~ ~~WORK~~

(But This Does)



*Author of Unf*ck Your Finances*

MELISSA BROWNE

Melissa Browne is an author, financial educator, accountant, speaker and entrepreneur. She is CEO of the financial education business The Money Barre, co-founder of the long day preschools & learning centres Thinkers.inq, and in 2019 she sold her award-winning accounting and advisory firm A&TA.

Melissa writes a regular column for the Money section in The Sydney Morning Herald and Melbourne's The Age, and she has been a regular contributor to the CEO Magazine and Latte magazine. She is regularly asked to appear on TV and radio and at conferences to speak about money, finances and business (and occasionally shoes), including the Today Show, Weekend Sunrise, Weekend Today, Sky Business, Triple J and Vivid Sydney. She has also been featured in, or written articles for, Cosmopolitan, Who, Vogue, Elle, Huffington Post, Collective Hub, Harper's Bazaar, Rendezvous, Madison and more. In 2013 Melissa was featured as one of Australia's 100 most inspiring women in Madison magazine, and in 2016 she was named one of the Financial Review's 100 Women of Influence.

~~**BUDGETS**~~
~~**DON'T**~~
~~**WORK**~~

(But This Does)



Also by Melissa Browne

*Unf*ck Your Finances*
Fabulous But Broke
More Money for Shoes

~~BUDGETS~~ ~~DON'T~~ ~~WORK~~

(But This Does)



MELISSA BROWNE


ALLEN & UNWIN

First published in 2020

Copyright © Melissa Browne 2020

All rights reserved. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording or by any information storage and retrieval system, without prior permission in writing from the publisher. The Australian *Copyright Act 1968* (the Act) allows a maximum of one chapter or 10 per cent of this book, whichever is the greater, to be photocopied by any educational institution for its educational purposes provided that the educational institution (or body that administers it) has given a remuneration notice to the Copyright Agency (Australia) under the Act.

Allen & Unwin

83 Alexander Street

Crows Nest NSW 2065

Australia

Phone: (61 2) 8425 0100

Email: info@allenandunwin.com

Web: www.allenandunwin.com



A catalogue record for this
book is available from the
National Library of Australia

ISBN 978 1 76087 781 1

eISBN 978 1 76087 7470 4

Set by Bookhouse, Sydney

Cover design: Mika Tabata

What we know matters
but who we are matters more.

Brehe Brown

PRELUDE

Too often I talk to people who feel out of control financially.

They're not certain if they're doing enough, if they have enough, if they are enough. They're frustrated by their lack of knowledge, time and self-control and their unwillingness or inability to do something about it. They're desperate for a seven-step standardised financial plan and often just want someone to tell them what to do.

The truth is, for many of us, a homogeneous, one-size-fits-all financial approach just isn't right.

Instead, when it comes to our finances, most of us are missing the vital first step that all the financial knowledge in the world can't replace: understanding who we are and why we behave the way we do.

I know that by understanding your unique Financial Phenotype—the combination of your Money Type (how you intrinsically behave with money, or your money personality) and your Money Story (the influence of your environmental factors and life experience)—and, by curating a bespoke suite of financial habits that are right for you, you'll have taken a giant leap towards fulfilling your financial potential.

This book is dedicated to anyone who has ever felt frustrated at their inability to sort out their finances, to financially succeed or even to financially adult, if you will.

I want to offer you hope in knowing that you're not broken, the system is. And once you figure out who you are, you can create a financial environment that will mean you won't simply be financially adulting—you'll be financially well.

Enjoy,
Mel x

CONTENTS

Introduction

1 Understanding the Basics: Nature and nurture

PART ONE *Nurture*

2 Nurture and Our Environment

3 Money Stories

4 What's Your Money Story?

5 What's Your Money Environment?

6 Money Stories and Environments Worksheet Recap

PART TWO *Nature*

7 Nature: How we innately behave

8 Your Money Type

9 What's Your Money Type?

10 Your Money Type Explained

The Worker

The Creator

The Discerner

The Relator

Money Types at a Glance

Hybrid Money Types: Primary and secondary

11 Money Types Worksheet Recap

PART THREE *Financial Phenotype in Action*

12 Money Habits and Systems

1. Goals

2. Plans

3. Bank Accounts

13 Great Money Habits for Each Money Type

The Worker

The Creator

The Discerner

The Relator

The Wrap-Up

14 Stressors and Sabotage

15 Habits Worksheet Recap

16 Compulsion and Addiction

17 Where To From Here

Acknowledgements

About Mel

Want to Work with Me?

INTRODUCTION

How many books have you bought on money, business and finance? One, four, ten, twenty? Or maybe you've lost count?

Now, be honest. How many of those books did you read cover to cover? More importantly, how many of those books caused you to make radical, lasting money changes?

That's what I thought.

The truth is many of us are enamoured by the idea of sorting ourselves out financially. In the same way we might get excited about becoming fit, running a marathon, finding a partner, losing 5 kilos or giving up sugar.

Starting the process can seem easy and even a little exciting. Maybe you signed up to gym classes, hired a personal trainer, made an appointment with a financial planner or accountant, signed up to RSVP or set up online bank accounts to start seriously saving. But it's the second week of 6 a.m. sessions with your personal trainer when you're not on holidays where it starts becoming difficult. Or dealing with sugar cravings at 4 p.m. every day, trying desperately to resist the call of a Tim Tam. Or finding yourself on three dud dates in a row, wondering what the point of that RSVP subscription was. Or saying no to a day of shopping with girlfriends because you know your willpower won't hold out and now you're sitting at home, miserable, wishing you were there.

That's when sorting yourself out starts to kind of suck. So, you stop.

Not permanently, mind you. Just for a little while. After all, it's been a hard week and you want to give yourself a break. Or it's the silly season/summer/birthday month and starting any kind of diet or budget is just madness right now. A week turns into a month, which turns into a year, and next thing you know you're making another New Year's resolution to do something about it. And you're beating yourself up a little more because you can't seem to make any of it stick. Besides, let's be honest, this whole adulting thing, particularly financially adulting, isn't much fun.

So, you stop. Because life's too short.

But what if it didn't have to be that hard? What if it didn't have to be so

prescriptive? What if you didn't have to feel like you were walking uphill through inches of thick mud in really bad shoes? Imagine if you could find a system that was tailor-made for you?

My bet is when you think about sorting yourself out financially, you think of budgets. And spreadsheets. And restrictions. Most of us don't love a budget and we really don't love the idea of denying ourselves. Just look at the mantra we're fed constantly by both the media and social media: we're encouraged to seize the day, to enjoy the moment.

Is it any wonder we're doing just that?

But what if I told you that financially adulting isn't about constant deprivation? That the reason you're financially stumbling or even financially sabotaging has nothing to do with your inability to cope with spreadsheets? What if I told you that budgeting doesn't work for the majority of us in the same way that diets don't work, and that budgeting can be harmful to your finances if it doesn't fit with your Money Type? And that the reason there's so much tension about money in your romantic relationship has nothing to do with one of you being a spender and one being a saver and everything to do with your Money Stories?

Now do I have your attention?

I thought so.

I believe that until you understand something I call your 'Financial Phenotype', you'll never find flow with your finances. Money will always be something you battle with and you'll struggle to achieve your financial potential.

What do I mean by Financial Phenotype?

If we head to a Dictionary definition, we can see the term 'phenotype' is used in genetics to describe both 'the observable constitution of an organism' as well as 'the appearance of an organism resulting from the interaction of the genotype and the environment'. In other words, phenotype is the observable set of unique characteristics resulting from the interaction of nature and nurture.

Our Financial Phenotype, meanwhile, is the expression of how we intrinsically behave with money and the influence of our life experience and environment on how we handle our finances. It's the effects of our Money Type, our Money Story and our Money Environment and the suite of habits we've developed as a result, which might be serving us or sabotaging us.

In other words, our Financial Phenotype captures both who we are and why we are, and it helps us to understand why we're behaving the way we are with our finances. Until we understand our Financial Phenotype, we'll continually be caught in a cycle of financial sabotage.

For many of us, the cycle might look like this: frequently worrying about money, avoiding thinking about money and hoping our future self will miraculously sort out our finances, charging the latest yoga retreat or personal training session onto our second credit card and hoping to god it

goes through. Patting ourselves on the back because we're embracing minimalism but spending all the money we've saved (and more) on experiences, which is only adding to our anxiety so we reach for another glass of wine, which turns into a regular habit, so we book another retreat, or another detox. Having the best intentions of doing right by the planet but unable to break our addiction to fast fashion, fast food, multiple devices and petrol-guzzling toys. Having a large amount of money in the bank but being unable to do anything of value with it because we're suffering paralysis by analysis so we just work harder and longer and hope that's enough. Permanently being in rescue mode for those around us but never being able to place the financial oxygen mask onto ourselves so we're constantly in a state of financial stress. Feeling obligated to financially behave a particular way but it feels like an itchy jacket we want to throw off, so we sabotage and financially act out. And the cycle continues.

Imagine if you could step off that financial merry-go-round and walk down a path of your own making towards financial wellness.

I believe that until we understand our Financial Phenotype and learn to act so our Money Story and Money Type serve us rather than sabotage us, we'll never be financially well. Money will be something we're constantly battling with, avoiding or forever popping on a 'too hard' list. Or perhaps money will always be something elusive that we're sure we could do better at.

The reason understanding our Financial Phenotype is important is because finances are personal. Our relationship with money and our financial DNA are unique. Our Financial Phenotype—who we are and why we behave the way we do with our finances—is as individual as we are. That's why so many of us struggle with homogeneous money prescriptions and money labels. While these can be right for some of the population (and let's be honest, sometimes at least it feels like you're doing something), the truth is, for many of us, the one-size-fits-all financial approach doesn't work.

The solution is to create a financial system that's as unique as we are—one that we've developed by recognising and understanding our Financial Phenotype.

But, let's leave money aside for a moment and use a different approach—let's think about food. I believe there is so much synergy with money and food—often how we think about and behave with food mimics how we think about and behave with money.

For example, my diet over a typical month isn't identical to my husband Tony's, my peers' or those of the people I grew up with. For a start, I typically consume more chocolate in any given week than my husband does in a whole month. If you tried to force us to eat the same thing, sure, you might make one of us happy, but the other is potentially going to feel unsatisfied. Or bored. Or hangry. Why is that so?

Personally, my body needs to receive sustenance regularly or I can't function, thanks to low blood pressure, whereas that's not an issue for Tony.

I also have had a poor history and relationship with food that stem from extreme dieting when I was younger. My husband doesn't suffer from such a negative relationship with food, and simply views eating as refuelling, a job to be over and done with quickly. He's currently adopted intermittent fasting, but I can't think of anything worse. His eating pattern wouldn't work for me, not just from a triggering point of view but also because my body functions best when I eat regular small meals. We each have very different relationships with food and different physiologies. So, why do we think it would be any different for our financial history and DNA?

Let's take this analogy a step further. Imagine if I walked into any office block and prescribed a one-size-fits-all eating plan for everyone—similar to how some financial advisors dictate a 50 per cent needs, 20 per cent savings and 30 per cent wants spending plan. Let's say I also prescribe equal food portion sizes and identical foods and insist everyone eats everything on their plate. No more, no less.

This one-size-fits-all plan wouldn't just be problematic, it would potentially be harmful. I'd be ignoring the fact that some people are vegan, vegetarian or have allergies or intolerances, never mind their different food preferences or levels of physical activity. And let's not forget those who have an unhealthy obsession with food—our compulsive eaters or dieters. How are they going to react to the new food regime?

Or perhaps we might think about how we've been taught to classify people financially, as spenders or savers. With that thinking, I could dictate two different eating plans. One for those who were over a certain weight limit and one for those who were under it. In doing this, I suspect not only would I make people unhappy with the food I was dictating, but now I would be insulting them.

It's easy to see how this homogeneous approach fails when we apply it to food, so why do we insist on prescribing one-size-fits-all regimes to money management?

As with food, the financial approach that works for me is not the one that works for my husband. That's because our Financial Phenotypes are also different. I'm talking opposite ends of the spectrum different. (I'll talk more about this as we move through this book.) In our case, we've recognised that and work hard to make sure both our financial needs are being met. This helps us both feel financially motivated and financially safe, two equally important and often-overlooked concepts. With research consistently telling us that money is the number one thing couples fight about, wouldn't it be nice to move from frustration, judgement and even anger to understanding why we each behave with money the way we do? To understand how both we and our partners can be financially safe and satisfied?

Once you realise the one-size-fits-all financial approach so many of us have been adopting doesn't work for most of us, it can be liberating. Finally, there's a reason why we struggle with money—why we're perpetually

sabotaging or why we just can't seem to be consistent.

Of course, understanding your behaviour with money is a vital step, but it's only part of the picture. Once you've identified and understood your Financial Phenotype, it means you can start to develop a suite of great financial habits that are right for you. For most of you, these financial habits will have absolutely nothing to do with budgets (Insert the 'Hallelujah Chorus' here.)

Yes, there are some of us (myself included) who love ourselves a good budget and a good spreadsheet. I mean, nothing says a great holiday to me like a colour-coded spreadsheet so of course I'm going to apply that same thinking to my business (and occasionally my personal) finances. Some of you are mentally high-fiving me right now and some of you are gagging. The reality is, for most of us, a line-by-line itemised budget is the wrong approach. Now, I'm not suggesting we shouldn't understand how much we spend and how much we save; how much we owe and how much we own; and what our goals are and whether our current assets, income and spending will get us there. And yes, a spreadsheet can be incredibly helpful with figuring all that out. Instead, I'm talking about not simply defaulting to a prescriptive one-size-fits-all financial approach.

The reason we're tempted to default to a formula or a budget, even if it doesn't feel right for us, is because often we don't know there's another way to go about it. We don't have a great financial language, we have limited financial education and we're not used to telling financial stories. So, we cross our fingers and hope a formulaic approach will finally be right for us.

And some financial service providers use a lazy standardised approach, such as suggesting a spending plan of 50 per cent needs, 20 per cent savings and 30 per cent wants. This can sometimes make us feel financially safe. Finally, there's a formula that guarantees, if we simply stick to it, we'll be financially okay, right?

Wrong.

Let's think about that suggested spending formula for a moment. What happens if you're on a low income and simply can't make the numbers add up? What if you keep dipping into your pot of savings despite transferring 20 per cent, like the formula dictates? Chances are, it will make you feel hopeless and want to give up. Or what if instead of only saving 20 per cent you should actually be saving 80 per cent because you're living at home and this is your time to financially get ahead? Saving 20 per cent and having a good time now might make you feel like you're doing the right thing when in fact you're missing an incredible opportunity to be getting ahead at a time when the costs of your needs, such as housing, are so very low. I've met too many thirty-somethings who wished they'd saved more when they were in their twenties (which you can still do and have a great time, just so you know) but thought they were doing the right thing by following similar spending formulas. Or they didn't know what to do, so they did nothing at

all.

It's time for a new financial approach.

By understanding your Financial Phenotype—discovering both the way you inherently behave and how your history, upbringing and environment affect your finances—you can move away from the one-size-fits all approach and instead create a solution that's custom-made for you.

But it's important to recognise that understanding your Financial Phenotype is only step one. Step two is taking action by creating your unique set of financial habits and curating a Money Environment that's right for you. You'll find questions, exercises, recap worksheets and calls to action throughout this book because I don't want it to simply be a nice-to-read where you receive some fantastic insights about your behaviour with money but where ultimately nothing changes. Instead, my aim is to bring financial awareness, to nudge you towards change and ultimately to transform your finances—using the questions you'll learn to ask yourself, the work you'll do around your Money Story and Money Type and the habits and Money Environment you'll create and adopt.

I know if you read this book and apply its principles you'll start to design your finances in a way that works with your own quirks and tendencies and the life you want to design and live.

I can't wait to start down this path of financial self-discovery with you.

UNDERSTANDING THE BASICS: NATURE AND NURTURE

Carl Jung once said, ‘Until you make the unconscious conscious, it will direct your life and you will call it fate.’ This quote captures why I’m so fascinated by discussions about nature and nurture. And why I want you to be too—particularly when it comes to your finances, so that you can start making conscious financial decisions.

What do I mean by nature and nurture? I want to make it very clear that I’m not a scientist, so I’ve no doubt taken liberties throughout this book. But as far as my definition of Financial Phenotype is concerned, here’s what I mean by nature and nurture.

Nature is the more unchangeable part of who we are. It’s the genetic code we received from our parents and is observed as everything from our eye colour to our height to our personality type and more. While it can still be changed or altered, it’s generally more fixed. Whereas nurture is the impact of our environment on who we are—this includes everything from our upbringing, our environment, our culture, our life experiences and more.

Examining this interplay of nature and nurture when it comes to money helps us develop a keen understanding around our financial behaviours. It can help explain why we’re predisposed to act a certain way when presented with particular triggers and stressors, or why we thrive in certain situations or as the result of certain experiences while other people flail (or vice versa).

Perhaps my fascination with discussions around nature and nurture is the result of being one of three children who are all so incredibly different—I’ve had people shake their heads in wonderment that we’re all related and grew up in the same household.

But why is that? After all, we each had the same financial modelling growing up—our dad was an accountant and we were taught some money lessons, including budgeting and credit—we would sign ahead for our pocket money and then go without it during those weeks we’d gone into credit for. We grew up in the western suburbs of Sydney, where we were modelled the values of frugality and hard work. Dad retired comfortably in his early fifties

but never showed us how he achieved that financially, other than the lesson of working exceptionally hard. Truth be told, even Mum wasn't shown how this happened: she was simply told to sign documents. Thankfully for her, these documents were for the purchase of assets that improved our family's financial position. It was only after Dad retired that he sat Mum down and explained to her that they owned more and were in a better financial position than she'd understood.

In the absence of a financial narrative, it's probably no surprise that my siblings and I each came up with our own. As a result, we each have not only different Money Types but different Money Stories and very different money habits.

But it's not only finances where we differ. Certainly, if you simply compare my younger sister Jodie and I, we've made very different decisions around most life choices—from our education to where we live, whether we have children or not, how we express our spirituality, our vocational choices, our decisions around where we work and how much we work, how we holiday, how we prioritise our spending and so much more. I lovingly describe Jodie as a bohemian hippy, while I'm the other, almost obsessive compulsive extreme. Our life experiences and environments since we were twenty years old have been vastly different but it still surprises me that in so many facets of our lives, including our finances, we're so incredibly different.

Now, I'm not suggesting my sister's life choices are better or worse than mine. I am, however, suggesting that we both approach most parts of our lives, including our finances, in very different ways.

Which leads me to the question of whether our differences are the result of childhood money messages, adult life choices, life experiences, birth order or simply inherent dispositions? Would we have had the same financial upbringing if we'd grown up in another geographical area or environment? Does my position as eldest child and my feelings of responsibility mean I'm more or less financially responsible, or does it go deeper than that? Did growing up in a working-class neighbourhood affect our financial resilience one way or another, or was where we lived inconsequential?

Of course, not everyone would pin the differences between my sister and me on the interplay between nature and nurture—not everyone believes in the power of the relationship between nature and nurture. There are some who argue solely for genetics and others who argue solely for experience.

If you believed nature was solely responsible, you'd argue the reason my siblings and I are so different is simply because of our genetic predisposition. Philosophers such as Plato and Descartes suggested certain things are innate, that we're born with these traits and they will always occur regardless of any external influences. In other words, nurture has no impact on them. On the other hand, if you believed nurture was solely responsible, you'd argue the reason my siblings and I are so different is because of the sum of our birth order and our individual experiences both within and outside our

family home only. Thinkers such as John Locke believed in the individualism of each person—that we are each a ‘blank slate’ and all of our ideas, thoughts, personality traits and beliefs come about because of our life experiences.

Yet, when I look to the diverse example of my siblings, these extreme positions are difficult to reconcile.

Today, thanks to research findings contained in studies such as the Dunedin Multidisciplinary Health and Development Study (also called the Dunedin Study—more about this in the following chapter), we now recognise that both nature and nurture play a critical role. In fact, researchers in a variety of fields have discovered that understanding how nature and nurture interact can be critical to understanding choices around education, financial health and general decision-making processes as we get older.

Researchers have suggested that the real question we need to ask when it comes to nature and nurture isn’t whether one is more important than the other but rather: How much does each affect us? Certainly, when it comes to our finances, it’s a great question to ask, along with the follow-up question: Is how I’m demonstrating that particular trait or experience serving or sabotaging me? These are two important questions we’re going to come back to again and again as we observe, recognise and create financial systems that are right for your unique Financial Phenotype.

The key word is ‘recognise’.

If you remember, the definition of a phenotype is the observable ‘appearance of an organism resulting from the interaction of the genotype and the environment’. In other words, it’s the observed patterns, characteristics and effects of nature and nurture on a living being.

The problem when it comes to observing financial characteristics is that we’re not used to talking about money, we’re not regularly telling financial stories and we’re certainly not encouraged to look for and recognise patterns in our own financial behaviour. In fact, we’re often taught to shut down or dismiss conversations about money because they’re ‘rude’ or ‘impolite’. Even in my own family, with a father who was an accountant, money and investing weren’t subjects we talked about. I know other families where innocent questions about earnings and salaries were, and often still are, shut down as ‘bad mannered’. Only a few years ago in Australia, a well-known female media figure publicly called conversations about money and salaries ‘crass’. Is it any wonder we’re not keen to talk openly about our finances?

The sad truth is that as a result of these messages many of us simply don’t feel comfortable talking about money. Or thinking about it. It’s awkward and icky, and for some of us there’s an element of shame involved.

That’s why, before we start looking at financial examples, I’m going to look at the patterns, characteristics and effects of nature and nurture on physical structures—on bodies.

If we look at our height and weight, we may identify a genotype for how tall we might grow or the shape of our body, but our environment can have a far greater influence on these characteristics. If we grow up in an environment where good food, sunlight and exercise are plentiful, we'll potentially reach the height our genes have programmed us to be. However, if we grow up without sunlight, with poor exercise and malnourishment, then our height may be stunted. In other words, our environment will positively or negatively affect our height potential.

Most people understand that a malnourished child will look far smaller and thinner than a nourished child. However, what they may not be able to piece together is that if the child's diet remains poor, the malnourished child may not achieve their potential height as a result. A person who had the genotype that allowed them to be 188 centimetres but had a very poor diet may only reach an adult height of 173 centimetres. It's only when we're educated on the effects of nurture that we can understand and plan for better outcomes.

Or we might observe a person sun baking and notice their skin becoming more tanned. From this observation and our own experience, we might quickly conclude that the sun has caused this. Now, we don't need to understand the scientific linkage between the sun and our skin darkening—because of our own experience and childhood skin sense campaigns, we understand the basic relationship between sun exposure and skin tanning.

But it's not always easy to come to such a straightforward conclusion. Did you know, for example, that flamingos are born white, not pink? The pink colour is actually caused by pigments in the organisms in their diet. But we cannot necessarily conclude this by observation alone because it's not our experience—it's through scientific research that we learned this.

Understanding our Financial Phenotype isn't as easy as observing darkened skin from sunbaking. It's more like observing the flamingo's change in colour. We can perhaps see the final financial result in someone else, but we don't understand how they arrived there. We understand suntanning and its health implications because we've had so much information about sun exposure from public health media campaigns or our schools and parents. Yet when it comes to observing our (or others') financial characteristics, we don't have that same breadth of language, education or understanding.

But the more we talk about money, the more aware we become of how we behave, and the more we learn how to observe our financial characteristics, the easier it will be to pinpoint our financial nature and how our environment has influenced or nurtured that. In other words, it will become easier to discover, recognise and understand our Financial Phenotype.

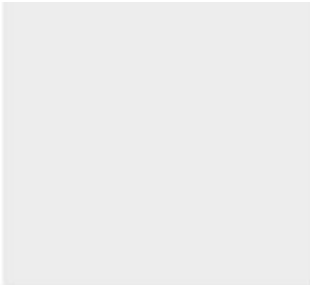
The reason we want to discover our Financial Phenotype is the same reason that we want to observe the impact of the environment on our physical self. We want to reward the financial behaviour that is working

positively for us and stop or minimise behaviour that might limit or harm our financial possibility. We want to stop our financial sunburn by identifying and promoting financially ‘sunsmart’ behaviours. But more than that, we also want to identify our strengths and adopt behaviour that will lead us to fulfil our financial potential. We want to achieve financial wellness.

Once we understand that the reasons we’ve been struggling with our finances have very little to do with understanding numbers and budgets and everything to do with our Financial Phenotype, we can relax. Not because we’re giving up or because we’ve identified that being good at money isn’t in our genes (that’s not a thing, just so you know) but rather, finally there’s an explanation for why we’re financially behaving the way we are.

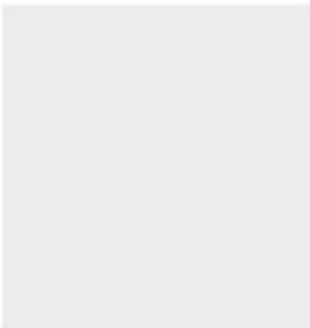
And more than that, simply by understanding why we behave the way we do, we can recognise cause and effect for our own Financial Phenotype and put in place unique habits and systems to ensure we don’t simply develop financial resilience, but can financially thrive.

This process of self-discovery begins with understanding the Money Story you’re carrying around with you and leads to how you inherently behave with money—your Money Type. It ends with you creating a unique set of financial habits that are right for you. It’s a powerful bespoke approach that, if you adopt it, will lead you down the path towards fulfilling your financial potential.



PART ONE

Nurture



You may not control all the events
that happen to you, but you can
decide not to be reduced by them.

Maya Angelou

NURTURE AND OUR ENVIRONMENT

The first step in discovering your Financial Phenotype is to understand the role of nurture and your environment. It's important to understand that nurture is so much more than our family unit, our childhood experiences and how we were raised. It encompasses our environment, culture, life experiences and more.

Now, I could make this a simple book about Money Types and ignore the influence of our Money Stories and our Money Environments, but that would be akin to starting a book in the middle but missing the beginning and the end. Sure, you might develop an understanding of a person's behaviour based on their personality, but you won't understand what has shaped them and whether that has created negative, positive or neutral outcomes. Or it would be like eating a bowl of plain, unseasoned and un-sauced pasta for dinner. Sure, it might satisfy your hunger, but it's missing a vital companion.

That's why we're starting our conversation here with understanding our Money Environments and Money Stories.

Over the decades, researchers have studied the interplay of nature, nurture and our life experiences and the impact on our investing and spending habits. To keep the Freudians among us happy, let's start with our childhood and life experiences. As someone who grew up in a working-class, blue-collar community, I've often wondered whether being born in another suburb or going to the 'right school' would have made a difference to me financially. Or would it have quickened my financial success?

Researchers have asked similar questions. They've sought to understand the role family and our socio-economic environment play in affecting our finances.

A 2019 paper by Sandra Black, Paul Devereux, Petter Lundborg and Kaveh Majlesi called 'Poor Little Rich Kids? The role of nature versus nurture in wealth and other economic outcomes and behaviors' recognised that there is a direct connection between the wealth of parents and the wealth of their children. However, what wasn't known was whether the connection was the

result of nature, nurture or environment.

In order to discover the root of this connection, researchers compared financial outcomes between biological children and adopted children in wealthy families in Sweden. The researchers found ‘there is a substantial role for environment in the transmission of wealth and a much smaller role for pre-birth factors. And while human capital linkages between parents and children appear to have stronger biological than environmental roots, earnings and income are, if anything, more environmental’.

In other words, there is a link between wealthy parents and wealthy children, but it has more to do with environment than genetics.

Overall, the results of the study suggested what many of us not born in wealthy areas have long suspected—‘that the children with wealthy, high-consuming parents ... benefit from growing up with more advantages.’

As wealth and resources become more unequally distributed, opportunities also become unequally accessible. This is not because those wealthy families are inherently any more talented than poorer families, but rather, as the researchers discovered, ‘wealth begets wealth’.

Sweden is a relatively egalitarian society, which does make me presume that the same findings would be true for most western societies including the United States, the United Kingdom and Australia where I live. While we can (and we should) advocate, as a result of this research, that our governments provide better policies for poorer socio-economic neighbourhoods, what does it mean for those of us who have already reached adulthood? Or who are currently living in poorer socio-economic environments? That leads us to research that has discovered some children from poorer socio-economic environments will excel financially despite their disadvantaged environments. In a 2018 paper by Chelsea Cheang and Esther Goh titled ‘Why Some Children from Poor Families Do Well: An in-depth analysis of positive deviance cases in Singapore’, the researchers discovered some children from poorer socio-economic environments were unexpectedly successful. The linkage the researchers found between the financial success of the children in these areas was the result of a strong family connection and an awareness of the family’s limited financial resources. The children had particularly strong emotional connections with their mothers which gave them a deep desire to help their families and to find creative ways to financially excel.

In this instance, nurture created the Money Story of wanting to help the family and to give back. It’s something that pops up again and again in stories of children whose parents have escaped poverty and hardship to live in another country. In Australia, we have so many examples of this. From Anh Do, a well-known Vietnamese-born Australian author, actor, comedian and painter who also studied a combined Business Law degree at the University of Technology, Sydney, to Majak Daw, an AFL player who arrived from war-torn Sudan, to Harry Triguboff, a property tycoon and multi-

billionaire and the son of Russian Jews who fled Russia for China and eventually settled in Australia.

So far, we've been looking at wealth and the family unit but what about when the family unit breaks down? According to a 2018 study by the Australian Council of Social Service, 'children from single parent families ... are the hardest hit by poverty in Australia' with 'one in six children (or 739,000 children) living below the poverty line'. In 2017, this represented more than 19 per cent of single-parent families.

We know that children from wealthy parents can sometimes benefit from positive financial modelling. We're also understanding that children from single parent or poorer socio-economic families at times find their lack of financial modelling can lead to limiting financial behaviour in adulthood.

But no matter what socio-economic background or family unit you come from, one of the factors that can have a devastating impact on your finances is childhood or adult trauma. The impact of this can lead people to fill internal voids through limiting and controlling financial behaviour that can include excessively spending or hoarding money.

A 2018 study by D. Bruce Ross and Ed Coombs called "The Impact of Psychological Trauma on Finance: Narrative financial therapy considerations in exploring complex trauma and impaired financial decision making" found that 'although the science of traumatology recognises a variety of traumatic experiences, little is understood about financial trauma'. The researchers acknowledged that financial therapists are needed to continue bridging financial and mental health disciplines in order to restore choice to our Money Stories.

Now, all this might make for interesting reading and help us realise why we may or may not have had a great financial start in life—but what does it mean for us today? If you're stuck in a story or have survived life experiences that affect you financially, what does that mean for you now? Before we go any further, I need to ask the question that I'm sure is running through many of your minds: Do our early experiences mean we're stuck in a Money Story we can't step out of? The answer, thankfully, is no.

A 2010 paper, 'Nature or Nurture: What determines investor behavior?' by Amir Barnea, Henrik Cronqvist and Stephan Siegel, studied the investment portfolios of 37,000 identical and fraternal twins. The researchers discovered that the genetic factor accounted for about one third of the investment portfolio behaviour and allocations made by the twins. This genetic impact on the twins' investments did appear to be long-lasting, even as the twins gained their separate life experiences.

This begs the question: If nature accounts for one third of investing decisions, is nurture or life experience therefore the more dominant factor because it accounts for the remaining two thirds? The answer, as you might expect, isn't black and white.

While it's clear that genetics makes up one third of the investing decisions,

it's unclear whether the remaining two thirds is the result of upbringing or life experiences or a combination of both. Certainly, while upbringing and the childhood family environment has an effect on the behaviour of young twin sets, the researchers discovered that 'this effect is not long-lasting and disappears as an individual gains experiences'.

In other words, while your genetic predisposition might be permanent, the effect of your life experience, nurture and environment is constantly evolving. Whatever childhood experience you might have had, its financial effects are replaced by the accumulated effects of your life experience as an adult.

This should be good news for those who haven't been brought up in a perfect microcosm of wealth enhancing childhood experiences. Which, let's face it, is many of us. In fact, the sum of all these studies should offer hope by suggesting that the die isn't cast by your childhood experiences—instead, one of the most significant factors is your changing experience over time.

But don't just take my word for it. Let's look at what is possibly one of the most comprehensive research investigations into human development, the Dunedin Study, which I mentioned in the previous chapter. The Dunedin Study agrees with this finding that we aren't fixed and have the ability to change our behaviour and therefore our experience.

For nearly 50 years, Terrie Moffitt and Avshalom Caspi have followed the lives of 1037 babies born between 1 April 1972 and 31 March 1973 at Queen Mary Maternity Hospital, Dunedin, New Zealand. The study started at birth and continues even today. The children were studied at the age of 3, assessed every two years until the age of 15 and then assessed at the ages of 18, 21, 26, 32, 38 and 45. The study focuses on a range of things from family health to identifying the social and family determinants of a parenting style, to how the participants parent themselves, to the lifestyles, behaviours, attitudes and health of the participants today compared to when they were 15, in 1987–88.

The Dunedin Study supports the idea of nurture over nature, that we are not fixed in our personalities and circumstances, but have a level of self-determination in the course of our lives. Among the most important findings was one particular ability that we can teach any child or adult, regardless of their upbringing or personality, which will directly and positively impact their future financial, physical and emotional health.

That ability is self-control.

Perhaps the definitive and certainly the most well-known self-control test is the Marshmallow Test. During this test, a single marshmallow is placed on a plate in front of a young child who is then left alone in a room. The adult tells the child clearly in advance that if they can refrain from eating the first marshmallow before the adult's return, there will be a reward in the form of a second marshmallow.

The children who exercise the most self-control often use distracting

techniques to avoid eating the marshmallow. The techniques vary but include singing as well as different variations of blocking the marshmallow from their sight, such as hiding under the table, closing their eyes, putting their heads on the table or simply looking away. In a subsequent experiment, the children are placed in the room in pairs and given the single marshmallow with the same instruction. In this instance, they either encourage or discourage self-control in each other.

Now, self-control or self-regulation (or discipline) might not seem revolutionary or exciting, but its effects on our finances are.

Let's suppose we swap out marshmallows for debt, credit cards or buy-now-pay-later platforms? Or what if we swapped out marshmallows for a holiday overseas, a wellness experience, the latest must-have handbag or the latest tech gadget? What if we swapped it for our propensity to dip into our savings? Or to engage in some sneaky shopping when we're stressed?

How many of you have been quick to eat your financial equivalent of the marshmallow? Or been encouraged by a friend, a family member or the media to eat it? Or encouraged another friend to eat theirs so that you felt better about yourself and your own financial bingeing?

That's what I thought.

Encouragingly, the results from the Dunedin Study suggest that simply because we've engaged in a particular set of destructive behaviours up until now, it doesn't mean this will always be our behaviour in the future.

Researchers at first discovered that self-control can be improved in children but ultimately determined that it could also be developed as adults. We can see this illustrated best through a subset of children in the study. Ten per cent of the children were identified at age three as having an 'undercontrolled personality'. These children were often highly strung, didn't cope well with novelty and change, were usually quick to anger and struggled with self-control. The parents who consistently encouraged structure and routine found they were able to cancel out the undisciplined effects of their child's undercontrolled personality. But the researchers discovered that self-control could also be encouraged and learned by those with this type of personality at any age with the right regulation and intervention.

What does that mean for us? It indicates that just because I might have poor self-control now doesn't mean I can't as an adult put in place mechanisms that mean I can adopt or improve self-control. Not unlike the children who used distractive techniques with the marshmallows.

Let me give an example of this from my own life where understanding my Financial Phenotype has helped me regulate my own lack of self-control.

Remember my food-related behaviour traits from the start of this book? One of my observable behaviour traits is my total lack of self-control when it comes to chocolate. I manage this behaviour with distracting techniques, rules and rewards, and strict rules around the type and amount of chocolate I allow in the house. In practice, this includes only buying certain brands of

chocolate available from unique locations, gamifying my chocolate consumption based on when I exercise, and even recruiting others to keep me accountable if I'm having a detox from it. I've created behaviour to compensate for my lack of self-control and this system generally works beautifully for me. It means I can enjoy chocolate without overindulging or feeling guilty.

Similarly, when it comes to my financial behaviour, an observable behaviour I exhibit is low self-control around spending and saving. Again, I regulate this using distracting techniques, rules and reward, and managing my environment. And I make sure not to keep my savings in cash. This means having a small credit card limit and keeping my investments in businesses, shares, property and superannuation—places I'm not easily able or tempted to spend from. An example of my rules system is called a 'habit stack' (I'll talk about habit stacks when we get to Part Three): for every \$1 I spend on clothes and shoes, I have to invest \$1 in shares. This limits my spending and boosts my savings. Again, I've created behaviour to compensate for my lack of self-control, which limits my ability to sabotage my finances. It means present-me can enjoy today, while future-me is also looked after through the bespoke suite of habits I've adopted.

Now, it would have been easy to bemoan the fact that I should be able to financially adult and to constantly berate myself over my poor self-control. Or I could congratulate myself for recognising my unique Financial Phenotype and creating systems and techniques that work with my strengths to financially serve me. The result is that I can walk down the path that suits me towards financial options and financial freedom.

The following chapters are all about helping you do the same, beginning with the first step: observing and recognising how the effects of nurture and the environment have shaped your relationship with money. We do this by identifying the nurture component of your Financial Phenotype: your Money Story and Money Environment.

Understanding your Money Story is about facing and unpacking how your life experiences have shaped you financially. And maybe even daring to share them. It's understanding how the environment you grew up in and the environment that you are surrounded by today impact your financial behaviour—and challenging whether that's serving you or sabotaging you. Remember: there's no judgement here. We're just looking at our experience of nurture on our finances with a curious lens and asking whether those stories, messages and myths and the resulting behaviours are helpful or harmful to our finances.

Learning your Money Story and understanding your Money Environment are the first steps in discovering your Financial Phenotype and creating a unique system for you to help you reach your financial potential.

MONEY STORIES

While we understand genetics through observation and scientific tests, understanding nurture is best done through stories. That involves being curious about ourselves and those around us and challenging the impact and truth of the money messages, myths and stories we intrinsically believe. That's what we're doing here by discovering your Money Story.

Your Money Story is the collection of your unique money scripts, money messages or money beliefs. It's the stories in your head about whether you believe money is good, bad or okay. It's created from your memories about money—whether that's from your parents, your family and your peers or from the media and society in general. Most importantly, just because you hold them doesn't mean you should believe them or that they're true. That's because, for many of us, our Money Stories are in fact made up of money myths. Just because we've been brought up believing something to be true doesn't make it so. Let me illustrate with one of my favourite stories about money which is an absolute money myth, the modern-day piggy bank.

When we think 'saving money' we often think of the piggy bank. This innocuous object has become synonymous with savings. But if we think more deeply about it, why a pig? I mean, if I think about a pig, I think dirty, muddy, fat, possibly greedy and, of course, bacon. What has any of that got to do with saving money? The truth is absolutely nothing.

In fact, the modern day western piggy bank is the result of a mistake. Nearly 600 years ago, people would store their loose coins at home in common household clay jars. The name of the orange-coloured mud used to create these jars was called 'pygg' (which back then was pronounced pug). Over the next five hundred or so years three things happened that caused us to end up with the piggy bank. Firstly, the pronunciation of the jars themselves changed so that instead of sounding like pug, these jars started being pronounced 'pig'. Secondly, over a few hundred years, people slowly forgot that pygg once referred to the clay used in these jars. And finally, the culmination was a merchant in the nineteenth century discovering these jars, thinking they were a great idea and sending an order for hundreds of

‘pygg jars’ to an English factory. When the English potters received the request, they naturally but incorrectly created money saving jars in the shape of a pig. The merchant decided to sell them anyway, they were an immediate hit with customers and children, and our modern day childhood Money Story, that a pig equals savings, was born.

Other than being an interesting story, what does the origin of the piggy bank have to do with your finances? The answer is: Everything.

There are so many myths and messages that make up our Money Stories and that we accept as truths. Some are mistakes or myths, and some are right but may not be right for us. Part of uncovering your Money Story means uncovering what you believe about money for yourself. To help you make sense of this, we’re going to work through some examples in this chapter.

A Money Story that is commonly accepted is the popular money myth that in order to become good at personal savings, you need to create and stick to a budget.

Now, chances are that’s a myth that attracted you to this book in the first place. But if you don’t quite believe me, please understand that research is proving that budgets don’t work, in the same way we understand that diets don’t work. Professor Elaine Kempson, Emeritus Professor from the University of Bristol in the UK, stumbled upon this. An international authority on consumer financial issues with over 30 years’ experience in conducting research and contributing to policy development, Kempson confessed at the 2016 Good Shepherd Microfinance Financial Resilience Summit to being surprised by findings in her research that suggested budgets didn’t work, but I for one wasn’t surprised. That’s because we’re far better at focusing on healthy eating than restrictive dieting. Why should it be any different for our finances?

Yet, a well-passed-down and firmly believed Money Story is that budgets universally mean we’re financially adulting.

Some Money Stories and money myths are cultural. These might include the idea that unless you have the right sort of education you won’t be a financial success. The result of a money myth like this could be that someone with an entrepreneurial bent might enrol in a course they’re not excited about in order to keep their parents happy or because they believe that certain professions automatically equate to financial success. This can certainly be the case for second generation Australians whose parents want their children to have the success they didn’t have.

Take the example of Jane Lu, founder of Showpo. Jane studied and worked as an accountant but quit her job because she hated it. She hid from her parents the fact she’d quit and started Showpo because she knew they’d be worried and potentially disappointed in her. Fast-forward to today and the company turns over more than \$85 million per year—something that was worth Jane bucking her Money Story for.

This is a Money Story I grew up believing too. I studied law straight after high school, but, when I discovered that wasn't for me, I felt compelled to undergo further study because I didn't want to disappoint my dad. The Money Story I was told by him again and again growing up was that I was a 'smart girl'; therefore, I couldn't waste my talent on something that wasn't a 'real profession'. I ended up studying accounting because my dad was an accountant and suggested it—it was a move designed purely to keep him happy, not from any interest on my behalf. Thankfully I was able to take my love of writing and business to turn accounting into something that worked for me. I've finally stepped away from it and if I'm honest, part of the reason it took me so long was because that Money Story was so deeply embedded in me.

Other Money Stories have been unwittingly passed down by parents, peers, the media and society in general. In Australia, for example, we're often told that it makes the most financial sense to buy your own home, or that property always doubles in value every seven years.

Sure, the first statement might be right for some people but, like most things, it shouldn't be gospel for all. As for doubling in value, this is based on the generalisation that over the long term most capital city property increases in value at an average of seven per cent per year. This has led to the assumption that all property doubles every seven to ten years. The truth is, some real estate doubles and some doesn't. That's because there are property markets within property markets—some are defined by geography, some by price point and some by the type of property—and not all perform at the same level. Some real estate will outperform the market in some years, whereas some will fall in value.

But let's keep extrapolating this Money Story that all real estate will double in value. The average price of a property in Sydney and Melbourne in December 2019, according to Domain.com.au, was \$1,142,212 and \$901,951 respectively. If we use an average of seven per cent growth per year, that would mean the value of these properties in twenty five years would be \$6,199,279 and \$4,895,278. The problem is, the average Wage Price Index (WPI) has grown at an annual average of just 2.2 per cent in the last five years. The average wage for full-time adults, according to the Australian Bureau of Statistics, in November 2019 was \$86,268, and if we calculate this forward using the WPI, in twenty five years the average wage would be \$148,635 which means the average house in Sydney would cost just under 42 times your wage. A strikingly unaffordable gap. Perhaps this is why experts today are calling out the doubling effect of property in our capital cities as a money myth. Yet, it's a money myth I hear too often spoken as unquestionable truth.

Other Money Stories might revolve around who controls the money in a relationship, whether money is good, bad or okay, and perhaps even whether a man should always look after his romantic partner financially. Let's look at

this last Money Story.

It seems such a romantic, old-fashioned, harmless sentiment. But what does it mean for a couple when the woman earns more than her male partner? Does it prevent her asking for pay rises because she doesn't want to emasculate him? Or might it cause a single woman to press pause on her financial goals until she meets her prince charming? Does it mean money can't be spoken about in a romantic relationship where a man is earning less? And what does it mean for gay couples?

We might also consider the often-spouted Money Story that women are spenders and men are savers. Or that men are better at finances than women. To find out whether this Money Story has truth, and where its origins lie, we could start by looking at general stories women believe that affect their finances, such as the learned female tendency to have a scarcity mindset where they don't think they're enough. Perhaps it's that they're not good enough, not thin enough, not smart enough, not pretty enough, not talented enough, not safe enough, not certain enough, not fit enough, not from the right school or the right suburb. Or maybe it's that they believe they're not a good enough mother/friend/ sister/girlfriend/wife. I'm sure many women can add their own version here.

Now, for blokes reading along, no doubt you're thinking this is exhausting and can I emphatically say that it is. As someone who has lived with many of these voices over the years, it's bloody draining. The problem for many women is that not being enough is such an ingrained story that we don't even think to recognise or question it—because it's not a conscious thought; it's background noise from the moment we wake to the moment we sleep.

Add this not enough belief to scarcity mentality and to a comparison culture, where we're comparing ourselves not just to our neighbours but to social media influencer freebie-receiving, face-tuned images of perfection, and it can create a toxic cocktail that sets us up for failure.

It's a message that we as women have received from our external environment and sadly for too many it's a case of 'received and understood'. In other words, we receive scarcity because we believe our Money Story that we're not enough.

Don't believe me? Let's look at one example of an area where women should be on par with men: our own businesses. Yet a 2015 Australian Bureau of Statistics study reported that women in business earn almost \$500 less than men in business per week. That's over \$25,000 per year. Now, women running their own businesses and setting their own prices should be an area where they achieve parity. But they're not, because pricing is a part of business that so many women suck at. (I'm saying this with so much love because I've done it myself.) Pricing a product or service often makes women feel they're 'valuing themselves' and when that pervasive 'not enough' mentality creeps in it can affect how they set their businesses' prices. That means women in business not only earn less than men in business, but they

also earn less than women in corporate roles.

Added to this, too often I hear women refer to their business as ‘my baby’ or say it’s ‘just a home business’ or ‘just a part-time business’. These sorts of words diminish or keep small and safe their enterprises. Calling their business their baby or using the word ‘just’ is part of a language and values shift that we as women need to start calling each other out on. It’s a minimising financial story, a scarcity mindset that’s designed to keep us small and encourage others to be small with us. Yet it’s a Money Story that women seem to overwhelmingly believe. And here’s the rub—when women do succeed, some of us take pot shots at them because they make us feel less than.

Now, this is only one example of how a Money Story can affect women’s financial behaviour and it leads us to believe the Money Story that women are worse at money than men. Trust me: I can offer so many more examples: in business, in the home, with our superannuation, with conversations relating to child rearing, superannuation splitting and more.

But are our Money Stories self-actualising? Because of their Money Stories, are women worse investors and savers than men? The answer is an emphatic no.

Recent studies suggest that women are in fact better investors than men. In 2008, Warwick Business School researchers tracked the performance of 2,800 UK men and women over three years. They discovered that women not only outperformed the men during that period, they also surpassed the Financial Times Stock Exchange 100 over that same period. Contrast that to a Fidelity Investments 2019 Women and Money survey in the United States where only 9 per cent of those surveyed believed women were better investors than men. Over 90 per cent believed the Money Story that women are poor investors. This raises the question: How many women are not investing because they too believe this Money Story, despite the fact that research proves it to be false?

Money myths and Money Stories might seem antiquated, strange, even amusing, but too often I see them destabilising our finances and causing us to sabotage ourselves without understanding why. The issue when it comes to both our Money Stories and our Money Types (which I’ll expand on in Part Two) is that we don’t talk about money—in our schools, at home or with our peers. Sure, the media will discuss property prices and calamitise, whether property is out of reach or the bottom has dropped out of the market. Or they’ll fuel market panic with catastrophic 24-hour messaging during a crisis, such as 2020’s global virus outbreak and Australian bushfires, causing the herd to panic and the bottom to drop out of share markets. But often good news or calm and sensible reporting isn’t click bait: it doesn’t cause us to watch or read—and it doesn’t sell advertising. So, it’s up to us to decipher and discern from our low base of financial understanding, which can be tough.

The problem is, this lack of broad-based financial storytelling is leading to low global levels of financial literacy.

This is reported over and over again in surveys conducted worldwide. The results of the 2018 Household and Labour Dynamics in Australia report showed that more than 50 per cent of Australians couldn't answer five basic financial literacy questions. In the US, the Financial Industry Regulatory Authority Inc's Investor Education Foundation's 2015 study reported that only 37 per cent of Americans were able to correctly answer four out of five financial questions. This represented a drop of 5 per cent from a 2009 study. While in the UK, a 2018 study conducted by the University College London and University of Cambridge found that 40 per cent of people couldn't correctly calculate a simple discount they might receive while shopping for everyday items.

Meanwhile, Standard & Poor's Ratings Services 2015 Global Financial Literacy Survey, which is a comprehensive evaluation of global financial literacy of over 140 countries and 150,000 people, found that only 33 per cent of adults worldwide were financially literate. They also discovered that there wasn't gender parity in financial literacy, surveyed men reporting 35 per cent literacy compared with women at 30 per cent. If we think back to the not enough Money Story, what I found interesting was that women surveyed were more likely to indicate that they didn't know the answer. Women would rather not attempt to answer the question at all, than to attempt to answer the question incorrectly.

While these low levels of financial literacy might in part be due to our lack of education, they're also due to our reluctance to talk about money, to share a range and depth of Money Stories and to understand how they're affecting us. Sadly, when it comes to our Money Stories, they're often limited to whether we think we're financially 'bad' or 'good'.

If you think of yourself as a spender, you probably assume you're bad with money. Conversely, if you've already determined yourself to be a saver, you might suppose you're good with money. Those who come from a lower socio-economic environment might conclude they will always be bad with money or have limited prospects because of their start in life, while those who attended the right private school and come from a wealthy family might presume they're good with money. And if we believe these Money Stories, they can become self-actualising. This may not be problematic if it's a helpful story, but it's dangerous if it's a limiting one.

If you want to break that cycle, to throw out the notions of good versus bad or whether you can or you can't, you need to start by thinking about what your Money Story might be, acknowledging from our discussion so far that you might find this difficult. But I want you, just for a moment, to let go of these beliefs about whether you're bad or good with money. Instead, I want you to take this moment to appreciate that this is about self-discovery rather than how financially knowledgeable you are. To quote Dr Brené

Brown, a shame researcher from the University of Houston, whose work we'll talk about more in future chapters: 'What we know matters but who we are matters more'.

Here, what we're doing with our Financial Phenotypes is working out who we are when it comes to how we behave with money, and figuring out whether that is hindering us or helping us.

Perhaps I've convinced some of you by now that it's worth understanding your Money Story, but my guess is I haven't convinced everyone. So, let me present a different argument for why it's important: I believe too many people are living out a Money Story that is causing them to spend or invest in a way that falls outside their values.

Think about it like this. You may have decided you want a life that doesn't cause harm to others. Maybe you've decided intrinsically that you want your 'life story' to be about wellness and nurturing the environment. But your Money Story might in fact cause you to behave in a way that doesn't align with that life value. For example, you might have taken part in climate change marches and yet be investing in fossil fuel companies with your superannuation fund or be contributing to environmental damage with your addiction to fast fashion or weekly overseas parcel purchases.

Now, sometimes this sort of thing can happen because of poor financial knowledge—simply being unaware of the financial impacts of choices. But too often I see people operating outside their values because they're living out a Money Story of scarcity, which causes them to hoard more 'stuff'. Or they're so busy that they don't have the time to research where they're spending and investing their money, so their Money Story by default becomes that it's okay to operate outside their values when they're time-poor.

If we're operating this way, and we look closely at this behaviour, we might recognise that we're not behaving like rational consumers. Rational choice theory is an economic concept that suggests individuals will always make rational, cautious and logical decisions. The problem for most of us as consumers today is we don't have all the information to make these decisions and don't know where to go and find it. Added to this is the fact that we're being marketed to at every waking moment by a system that doesn't want us to behave rationally or be informed enough to do so.

This Money Story of not being enough, of not having enough, is one that is deeply ingrained and one that is driving too many of us to behave in a way that, if we're honest, we're kind of ashamed of. But it's important not to look away embarrassed or to ignore this story and subsequent behaviour but instead to recognise them, acknowledge them and do something about them.

The truth is most of us are living out unconscious, unexamined sets of assumptions—our Money Stories—that drive our behaviour. What I want you to do is to recognise this, to challenge your assumptions and the stories and messages you're carrying and to ask if they're serving you.

For more than 40 years, Lynne Twist has been a recognised global visionary committed to alleviating poverty, ending world hunger and supporting social justice and environmental sustainability. According to Lynne, if you want a clear picture of your priorities in life, who you are and what you care about, look at your spending. In a conversation with Oprah Winfrey, Lynne says, 'Yes! Your chequebook really tells you what you care about. You can also include your credit card bill and your bank statements. They show you exactly where your priorities are. Sometimes you'll find that what you are doing with your money is not very aligned with your soul'.

This is often the paradox of the Money Stories we carry. Too often they're inherent money beliefs that, when we learn to identify and acknowledge them, we can realise are causing us to act conversely to our whole of life values.

How we start to change that is by realising the fault isn't ours alone. We're caught in a system that is actively working against our ability to make rational financial decisions, which means we need to consciously act against some of the messages we're receiving. We need to not only recognise but to challenge our Money Stories if they're not right for us.

No matter what Money Story you're carrying, what we know from the research is that we have a choice to change our behaviour. But in order to change it, we need to understand what's causing that behaviour in the first place.

In the following chapter, I want you to start being curious about the Money Stories you hold and ask yourself whether those stories are serving you or sabotaging you. I want you to decide what Money Stories you want to choose for yourself, as we move towards Money Types and starting to reshape and reclaim your Financial Phenotype.

WHAT'S YOUR MONEY STORY?

So far, we've looked at the theory behind Money Stories. Now, it's time to think about your own Money Story. To help you do that I want to talk about the work of Dr Brené Brown.

If you haven't heard of Brené, she's a research professor at the University of Houston and has spent more than a decade studying vulnerability, courage, authenticity and shame. Her 2010 Ted Talk, 'The Power of Vulnerability', has had over 45 million views and her book *Daring Greatly* has sold more than a million copies.

Now, most people don't have a shame and vulnerability professor in their 'top five' list of people they'd love to have dinner with—perhaps she's on mine because her research on vulnerability and shame is so intrinsically linked with finances and perhaps it's because I just want to geek out on numbers and data with her and she pulls no punches. What I do know is that so much of her work has a direct link to how we relate and behave financially. It's why when it comes to unpacking your Money Story, I want to start with a quote by Brené: 'When we deny the story it defines us. When we own the story, we can write a brave new ending'.

This quote summarises so beautifully why I believe we need to recognise, own and, where necessary, rewrite our Money Stories. By understanding and owning our Money Stories, we can take back control over our finances. Because the truth is, whether we acknowledge it or not, someone or something is currently directing our behaviour.

When Brené talks about owning your story, she's really talking about vulnerability, or feeling exposed, a state I see many people I work with living in when it comes to their finances. I believe her work is so relevant when it comes to our ability to trust ourselves, and the strange relationship we often have with our finances. That's because many of us have a relationship with money that is toxic and unhelpful. We have a Money Story that's not serving us. Applying Brené's work can give us a great language to help us dig out, recognise, understand and adapt our Money Stories. That language includes asking the important question I posed in Chapter One: Is this Money Story

serving or sabotaging me?

As we ask that question, we begin to reclaim our Money Story by becoming purposeful about our finances. We start to become curious about our own Money Story, our resulting behaviour and what its impact on our finances might be. I use the word ‘curious’ strategically here because we want to be inquisitive about our Money Story rather than automatically accepting of it. Being aware that we’ve probably picked up some Money Stories from our families, our friends and the media that at first glance seem innocuous and even helpful.

On my podcast *Uncensored Money*, the first questions I ask my guests are: ‘What was your Money Story growing up? What did you reject and what did you keep?’ Let’s talk about answers provided by two of my guests: Jacqui Lewis from the Broad Place and Cathie Reid from Icon Group.

The Money Story Jacqui learned growing up was that to be successful you need to work really hard and for really long hours. In her words, you need to ‘work till your eyes bleed’. Cathie’s Money Story, a conservative one from her hardworking, risk-averse parents, was that you should buy a home and work hard to pay it off.

On the surface, both these Money Stories seem fair and logical. Work hard, own a home and pay it off as soon as you can. But they’re Money Stories both women, at some stage in their lives, consciously rejected.

Jacqui talked about how she worked herself to a mental and physical breakdown because her Money Story taught her that working long hours and her own personal exertion were the only ways to achieve success. Notions she has since rejected, and she now runs a global meditation studio that teaches others how to create balance.

In Cathie’s case, she spoke about needing to take a second mortgage on her home early on to fund her business (which is now worth more than \$1 billion). This meant rejecting her parents’ Money Story of safety and stability around home ownership. Cathie talked about understanding the consequences of the choice to re-mortgage her home—she understood she could lose her home, and she and her now husband, Stuart Giles, had to decide whether this was something they could live with.

I believe the reason Jacqui and Cathie both initially defaulted to their parents’ Money Stories is because the financial behaviours were modelled to them from a young age by people they both looked up to. A scenario that would be familiar to so many of us. But the reason both these women rejected them was because they recognised they were Money Stories that were no longer serving them.

The Money Story you inherited or received may be different. It’s important to recognise and understand what that Money Story is and to ask whether as an adult it’s something you need to accept, reject or tweak for yourself. To take Brené’s quote at face value—it’s acknowledging your Money Story, owning it and deciding if you want to choose to write a brave new ending.

Once we start to recognise our Money Stories we might realise they are being told to us by voices in our heads that aren't necessarily kind. Or flattering. Or helpful. Some of the stories are in the voices of people from our past, from our family or from peers. Or, if you're like me, the most critical voice might be your own.

How do you calm those voices down? By acknowledging what they're saying and where they come from, then turning down their volume. Way, way down.

That's often easier said than done. Sometimes it can feel easier to dig your head in the sand or grit your teeth and keep going. That's because if you're anything like me, you may not love peeking into your past. I mean, it's understandable—there's a whole lot there I'm not comfortable looking at and it takes a whole boatload of courage and vulnerability to look at it and recognise its effect. But this is where Brené's words ring true for me—by denying the story of who I am, where I've come from and what I've lived through, it has defined me without my being aware of it. And that includes financially. The truth is that definition hasn't always been pretty.

Why is that the case? To explain further, let me tell you a little bit about my Money Story.

In my family, my dad controlled the finances because he brought in the income. He dictated what was spent, when my mum could work and how they invested. The story I came to believe as a result was around power and control and how important it was to have control over the finances in a relationship. What I absolutely did not want was to be in the position of my mum, who never made any decisions over the finances and instead, for a long time, was told what she could spend and when she could work. Now, before you judge my dad too harshly, I want to acknowledge it was a different time. Today, even though I appreciate that's not a healthy position to have, it's a Money Story that a small part of me still holds true. So, while my husband, Tony, and I make large joint financial decisions together, I still have control over my personal finances, which includes owning a share portfolio in my own name, businesses in my own name and separate personal bank accounts. I often show Tony how my shares or businesses are performing so money isn't a secret between us, and we've also used the proceeds of my businesses or share portfolio at times for joint expenses or investments. But I feel safe because I have control over my finances and don't feel like I'm at the mercy of my partner.

If I didn't understand my Money Story, I suspect I might not be able to do money well with my husband. I'd be tempted to grab control and dictate how we behaved financially. Especially as I have a financial background, it would be so easy for me to justify to myself steamrolling over Tony with any financial decision-making. Instead, it's important to us that we work well together in all areas of our lives, including our finances. Yet again and again, Money Stories of power and control are something I see too many couples

wrestling with.

Another Money Story I struggle with, like so many other women, is around the idea that I am somehow not enough. It's a belief that has a lot to do with my environment growing up—both my childhood and later my adult life experiences. The sum of these experiences led me to have an almighty victim mentality, where I believed it was okay, even expected, for me to only ever be financially mediocre. In my mind, my experiences gave me such a great excuse to be less than. If we looked at my nature, I'm highly competitive, to the point where if I don't feel I can win, I won't enter or try to compete. Ridiculous, I know, but that's me. Add that to what I perceived to be my many limitations and my victim mindset. I mean, why would I participate fully if I knew I was handicapped and couldn't win in the first place? This mentality has influenced everything from relationships, to finances, to how I behave in business and more.

Now, I could set up a great argument based on nurture and maybe even convince you that this victim-based, not enough, limiting Money Story was fair and even reasonable. Everything from growing up in a working-class suburb to having an inconsistent, somewhat violent childhood, to receiving inappropriate treatment from a trusted adult, to being relentlessly bullied at school, to surviving a terrifying sexual assault in my teens and to making poor financial decisions when going through a divorce—all of these experiences and more could help me make my case. I mean, give me time and I could have you feeling incredibly sorry for me, only, in my case, because of my own shame, I've guarded most of this information and kept it secret so no-one would know. This behaviour and story served me well for so many years, in that they gave me an excuse for when I would sabotage and allowed me legitimate reasons to keep myself small. Both financially and otherwise.

These victim and 'not enough' stories didn't just show up in my unhealthy financial behaviours, because these stories don't always limit themselves to one part of your life. They also showed up in other parts of my life, such as my health, where I developed an eating disorder. In my business they showed up for many years as wanting to play safe, to stay small and to try to be like everyone else. As perpetually comparing myself to others and finding myself wanting, and as constantly chasing bright, shiny things as an avoidance strategy. In my finances they showed up as bingeing and purging with my spending and saving.

But the questions I ended up daring to ask after being tired of my own bullshit for so long were these: Is that pattern of behaviour, is that sabotage loop, is that Money Story serving me? And who is really winning when I choose to hold a victim story or if I believe I'm not enough? That's when I started to take steps to rewrite my Money Story and give myself a brave new ending.

One of my favourite quotes is by Henri Nouwen, a Dutch Catholic priest, writer and theologian. He said, 'There are three lies of identity—I am what I

have, I am what I do and I am what other people say or think of me'. I believe this quote rings so true when we think about so many of our Money Stories.

When you start to dig out your own patterns, stories and behaviours, I want you to think about what 'lie' might be hidden in your own Money Story. Can you find the piece that's not right for you? Maybe it's a Money Story about the importance of owning your own home but you know that story isn't quite right for you because you want the freedom to chase a job around the globe or because you've discovered the FIRE movement (Financial Independence, Retire Early, which is all about aggressively saving while you minimise your expenses—we'll look at this more in Part Three). Money Story about financial recklessness and even addictive behaviours where you haven't realised you've unconsciously picked up similar money compulsions. Maybe it's that 'smart girls' should choose a sensible profession over the creative industries. Maybe it's that a man should be the main breadwinner. Maybe it's about what you think you should be doing or where you think you should be at your stage of life or age. Or maybe, like me, it's about the story of not being enough.

Now it's your turn. Because I don't want this to be a book full of theories, I want you to take action. The following exercises and questions will help you start with this process of recognising your Money Story and possibly rewriting your own brave new ending:

The Money Stories you grew up with might be very different from the Money Story you hold today but it's important to recognise what they were so you can understand whether they're still influencing you negatively or positively as an adult. Take a moment to reflect on your childhood money memories—whether they were observations from your parents, your family, your peers, your siblings, your teachers, your church, your culture, your community, or society in general. It might be lessons, values, how your parents behaved individually with money, whether there was stress and worry around money and so much more. Then answer the following questions:

- What Money Stories did I learn from my parents, my peers, the media and those around me?
- How do these Money Stories differ from my Money Story as an adult? What Money Stories do I hold today?
- What Money Stories have I rejected as an adult and what Money Stories did I keep?
- Who is the voice in my head when I think about money or what I believe about money? Is that voice pleasant, helpful, curious, judgemental, critical or even unkind?

If you're struggling to understand what your Money Story is, you might

try some different financial awareness exercises that I covered in more detail in my book *Unf*ck Your Finances*. I've given you some examples below to guide you:

- When it comes to money, what attributes do I believe are good, what do I believe are bad, and what do I believe are okay? (For example, you might believe it's good to buy your own home or that all debt is bad.)
- If money was a person, how would I describe my relationship with it? (For example, is it a loving relationship, is it illicit and obsessive like an ex-lover that you can't stop thinking about, or is it potentially shameful and humiliating like a drunk uncle who you know will embarrass you in real life or online?)
- What are my wealth creation values? Are these values reflected in how I am spending and investing? If not, why not?

Recognising, understanding and even being tired of your Money Story or reacting emotionally to it positively or negatively are good things but they're only the first step.

The final and vital questions to ask are:

- Is that Money Story serving or sabotaging me?
- What Money Stories do I want to keep and what do I want to reject? In other words, what adapted Money Story do I want to write?

As you start to think about rewriting your Money Story, I want to return to the work of Dr Brené Brown. In her book *Rising Strong*, Brené suggests a simple phrase you can use to challenge and help make sense of your potentially 'magical thinking'. It goes like this: 'The story I'm making up is ...' You might consider using this tool as you start to test whether the Money Stories you're uncovering are helpful ones you want to take with you or whether they're myths or even pure bullshit.

As you consider each story that makes up your Money Story, use Brené's phrase to take it through to the eventual consequence. If, for example, the story is around the fact that in order to be an adult you need to own your own home, change that to, 'The story I'm making up is that I can't be an adult if I don't own my own home.' By using Brené's phrase, you're reframing the Money Story and deciding whether it's still true in this new light. If it still rings true then keep it. If it doesn't then reject it and decide what you want that Money Story to be instead. For example, you might reject the above but make the rewrite: 'In order to reach my own version of financial adulthood, I need to have clear three year goals and be enacting a savings plan to ensure I reach those goals.' Or maybe it's: 'I believe it's important to own property but it doesn't need to be my own home.'

It's a powerful phrase, which is why I want you to use it when it comes to your own Money Story and your relationship with money. Even better, if you do the work with your partner, your friends or your family, it can become a powerful tool you can all use to identify stories you're making up with each other, whether it's with your Money Stories or life stories generally. That's because, too often, 'the story I'm making up' isn't helpful or even true—and it may be keeping you from your financial potential. By vocalising and challenging our Money Story in this way, we can confront it and see it for what it is, rather than allowing it to subconsciously direct our responses. We can start to direct our fate rather than living by default.

Returning to the examples from earlier in the chapter, imagine if Jacqui, Cathie or I had kept on believing our learned Money Stories. In Jacqui's case, it would have led to more physical breakdowns and possibly failed health. Cathie might not have become a billionaire, and I'd be stuck unhealthily playing it small and safe—unable to achieve the financial options and impact I really wanted. In all our cases, believing our Money Stories would have meant we would be working so much harder but ultimately for far less financial return and far less freedom.

If you take one thing away from this book I hope it's the ability not simply to identify both your Money Stories and Money Types (which we'll look at in Part Two), and the strengths and weaknesses they contain, but to challenge them, to reject or adopt them, to adapt them and to harness them.

Discovering your Money Story allows you to see what resulting patterns of behaviour have been formed by you and to determine whether they are serving you or sabotaging you. Rewriting your Money Story means you no longer need to live life like a financial zombie—making your financial decisions by default rather than by design. My hope is that it allows you to live your life fully consciously and with financial purpose—able to reach your own financial potential.

WHAT'S YOUR MONEY ENVIRONMENT?

Not many people are able to choose their environment growing up. But as we get older, too few of us are consciously curating environments that will enable us to flourish in our lives today—whether financially or otherwise. That's exactly what we're going to look at together here.

So far we've been looking at 'nurture', beginning with the Money Stories that might be affecting us from our culture, our experiences, our childhood and even the socio-economic environment we grew up in. Now I want to dig a little deeper into nurture and ask the question: What's your financial environment?

What do I mean by environment? Environment is what we surround ourselves with—whether that be our circumstances, things, social and cultural conditions, people and more. It's the sum of the physical, social and cultural conditions in which we live and that we grew up with that influences our life. For example, it might include what you have been or are currently influenced by—whether that's your family, your friendship groups, your schooling, who you follow on social media, who you live with, who you network with, what you read, what you watch, who you work with, where you live and how much you earn. But it's also what you surround yourself with—your immediate physical environment.

I believe that as we work together to discover our Financial Phenotypes it's just as important to look at our environment growing up, and to understand the impact it had in shaping our Money Story, as it is to look at the environment we've chosen to surround ourselves with today as adults. Because too many of us are unaware of the effect our environment has on our finances. Let me use my own environment both growing up and today to explain.

I have the advantage of having a dad who is an accountant. While there were very few financial discussions growing up, he was someone I could trust to ask financial questions of during my twenties and thirties because I knew he was financially literate. More than that, because he surprised us all by retiring comfortably in his early fifties, it seemed he wasn't only financially

literate, he was also financially smart.

I also had the advantage of grandparents who modelled a financial environment I like to call 'healthy frugality'. My maternal grandparents were able to save money on the pension, had a freezer stocked with homemade food and believed the use-by dates on food were made up by marketers to sell you more and shouldn't be taken at face value. These same grandparents went on annual five-month pilgrimages in their caravan to warmer climates. My grandma ran her own cafe during the war (she was an amazing cook) and the proceeds helped her and my grandpop to purchase a modest family home.

My paternal nana, meanwhile, had an obsession with clothes (something I have inherited), but as a single mum she couldn't afford to indulge this passion in retail stores. So, she used to take me second-hand shopping from an early age and taught me the importance of mending and tailoring. She taught me that it's possible to have style on any budget and to wear what you love every day.

The consequence of this history is that today I have established a Money Environment where, if I need to, I know I can run financial scenarios past my dad, but I also have used the influence of my grandparents by adopting their attitude of healthy frugality with my daily spending habits. By being especially frugal with my day-to-day spending it means I'm not at risk financially when I do binge spend on things I love—I'm not going to lie, often that's shoes. By understanding my Money Story and setting up my Money Environment in this way, it now means I can choose to overspend on certain things because of my thrifty daily spending. This frugality extends to everything from how much alcohol I drink to making batches of frozen meals and lunches on the weekend, ignoring best-before dates on food packaging, avoiding tolls when I'm driving if possible, enjoying 'staycations' rather than going away on expensive holidays, timing purchases to take advantage of specials, limiting take-away coffees to no more than, say, five per week and drinking plunger coffee at home at other times, and mending my shoes and clothes rather than disposing of them. Recently, it's even involved changing my hair colour, because the time and cost of being blonde were becoming ridiculous.

If you remember, I'm also from a working-class part of Sydney. We have a phenomenon in Australia called the 'tall poppy syndrome', a negative aspect of our culture where people are resented, attacked or criticised if they're seen to be superior to their peers. This tall poppy syndrome is exacerbated or magnified somewhat in the working-class area where I grew up, where you don't want to be seen to be a 'wanker', like someone from a more affluent suburb. It's an attitude that means you're not necessarily encouraged to seek too much financial success. A little bit is okay; just don't go too far—you don't want to eclipse your peers or make them feel less than.

Certainly, this is something I've experienced where I live—in my

environment. This has included having it written and said that I thought I was getting too big for myself, a colloquialism that means, essentially, that I should know my place. This attitude resulted in me consciously changing my Money Environment. I found bigger ponds and different financial environments to play in, where people weren't necessarily threatened by my ambition and success. What that looked like in my day-to-day life was living for part of the week in a different area of Sydney and joining different networking groups, including one where the business size and the social makeup of the people intimidated me and challenged my thinking around what was possible for myself. I also chose to surround myself with people within my existing neighbourhood who were only interested in supporting one another (not kicking the ladder out from one another) and removed myself from regular contact with those who weren't supportive. It's how I combatted the messages I was receiving and reacting negatively to—by changing my Money Environment.

What about you? Later on in this chapter I'm going to pose questions to help you determine whether your Money Environment is serving you or sabotaging you, but I want you to start thinking about it now.

It's not just our physical environment that I'm referring to when I talk about our Money Environment. Our social circle, our business circle, our peers, our family members and more can all have a positive and negative impact on us—particularly when it comes to our finances. The question to ask is the same one we've been asking all the way through this book: Is my environment, including the people within that environment, serving me or sabotaging me? Now, I know some people will see this as callous and perhaps even unkind. But I'm not suggesting that as a result of your answer to that question you cut people out of your life. Instead, it's about setting boundaries so you limit the impact they have on your physical, emotional and ultimately financial health.

Again, I want to return here to the work of Dr Brené Brown. In a discussion with Russel Brand in his *The Work of the People* podcast, Brené talked about research she'd undertaken where she and her team analysed data about what the most compassionate people they had interviewed had in common. They discovered there was one variable they all shared: they had 'boundaries of steel'. Brené went on to explain that these very compassionate people, when interviewed repeatedly, said, 'I'm compassionate because I do not subject myself to the abuse of other people'. From this research, Brené and her colleagues developed the idea of BIG: 'What Boundaries need to be in place so that I can be in my Integrity and be Generous toward you?'

The truth is that generosity cannot exist without boundaries. But most of us aren't comfortable setting them because we care more about what people will think and we don't want to disappoint anyone. Most of us want everyone to like us. And boundaries aren't easy, but they're the key to self-

love and sustainability. Certainly, in my work, I regularly see boundaries as the key to financial self-love and sustainability.

Now, if you're a people pleaser, you won't love boundaries. To people pleasers, boundaries just get in the way. But for obligers or those of us who grew up in chaotic or abusive homes and learned to survive and/or escape by doing whatever it took, people pleasing without boundaries can negatively affect our financial health.

In her book *Rising Strong*, Brené talks about her own experience as a people pleaser and how this played out in her life:

We do that [deal with discomfort and pain] by numbing the pain with whatever provides the quickest relief. We can take the edge off emotional pain with a whole bunch of stuff, including alcohol, drugs, food, sex, relationships, money, work, caretaking, gambling, affairs, religion, chaos, shopping, planning, perfectionism, constant change, and the Internet.

And just so we don't miss it in this long list of all the ways we can numb ourselves, there's always staying busy: living so hard and fast that the truths of our lives can't catch up with us. We fill every ounce of white space with something so there's no room or time for emotion to make itself known.

In other words, poor boundaries that create poor environments can mean we overcompensate by staying incredibly busy, numbing with so much stuff and avoiding how we're really feeling in a way that can potentially be catastrophic for us financially. And we'll never recognise the cause because we're so busy numbing and avoiding.

We're going to start changing that story here. When it comes to our financial environment and the people we allow to affect that, research proves over and over again that strong boundaries can mean we're able to have relationships but also limit people's financial effects on us. This means observing and questioning whether we have a healthy or unhealthy financial environment.

When it comes to determining what your Money Environment is, answering the following questions can help you figure out what the environment looks like and whether it is serving you or sabotaging you:

- Do I worry too much about what others think? What do I worry about when I connect or interact with others?
- How does my social circle influence my finances? Are these positive or negative influences? What is the evidence from my behaviour that they are positive or negative?
- Do I care more about how my life looks or how it feels? Why is that and how is that affecting my finances? Who or what is influencing this?

- What are some ways that I'm spending and investing in alignment with my values? What are some ways that I'm spending and investing out of alignment with my values? Who or what is influencing these decisions?

These questions matter because we're social creatures, and along with this comes a need to be accepted by others. It's a normal part of being human, and it's why so many of us feel the need to act based on the expectations of those around us and even society in general—often at the expense of what we want for ourselves. This need to be accepted by others can become so great that it starts affecting our everyday lives. Our finances don't sit in isolation from our everyday lives, which means this need for acceptance affects our finances, too. So, instead of making our financial decisions based on what we want for ourselves, our decisions become based on what we think others consider to be right. Asking yourself questions like the ones above will help you determine if you're doing things because you think they're the right thing to do or because you're afraid of being judged.

Now, spending, investing or having experiences because we think it's the right thing or the socially acceptable thing to do isn't problematic in and of itself. But it becomes problematic when the right thing or expected thing to do is the wrong thing for us.

Especially if it means we're financially sabotaging or even financially harming ourselves because it's not something we value or want for ourselves. For example, you might have grown up in an affluent suburb and attended a private school and now everyone is taking up large mortgages and buying property to settle down in close to home. And pressuring you to do the same. The problem is, you don't want to be burdened with a large mortgage, you understand you can't 'eat your home' and you want to make sure you have enough free cashflow to invest in other asset classes. If you become a product of your environment, however, you may in the end succumb to the pressure to buy the expensive home. Or conversely, you may have grown up in a poor socio-economic neighbourhood but you have a dream of starting a global business which is laughed at by your peers as unattainable so you begin to doubt whether that financial goal can really be possible for you. In both instances, the question to ask yourself is: How can I expand my environment so I receive different financial influences?

The well-known quote by American motivational speaker and entrepreneur Jim Rohn is: 'You are the average of the five people you spend the most time with.' In other words, the more time you spend with people, the more like them you will become. This is particularly important when it comes to mindsets and financial environments and habits (which we'll look at more closely in Part Three). As you consider your Money Environment, consider the following question about the five people you spend the most time with: How are they influencing your money mindset, environment,

behaviour and habits?

But let's extrapolate this concept further and take it to its extreme. Does this mean that if we surround ourselves with financially successful people we will, by that very fact alone, also become financially successful?

Is setting up a positive financial environment really that simple?

Now, I'm certainly not arguing that's the sole recipe to financial success. However, there is some evidence to support you at least in leaning that way. In 2013 a study was conducted by Catherine Shea, Erin Davisson and Gráinne Fitzsimons called 'Riding Other People's Coattails: Individuals with low self-control value self-control in other people'. The study looked at whether people with low self-control can improve their self-control by surrounding themselves with strong-willed friends. In this study, researchers found consistent support for what they believe 'reflects a social self-regulatory process, in which those with low self-control can attempt to compensate for their shortcomings by drawing closer to high self-control others'. In other words, if you have an area in your life you think might be a weakness, you might recruit a friend for whom that area is a strength. They may help you through modelling positive habits and behaviour or through accountability.

The researchers themselves acknowledged in their report that they 'do not mean to imply that relying on others will completely outweigh the drawbacks of low self-control'. After all, your friend with high self-control isn't going to follow you around and smack the credit card out of your hand every time you go to buy something. Rather, their findings 'suggest that individuals with low self-control may play an active role in attempting to overcome their individual weaknesses' by strategically seeking social partners who model great behaviour and hold them accountable. Those social partners may be friends in your peer group or people you follow on social media who through their posting encourage you to act in a way that is minimising your weakness.

Which leads me to ask: Is there someone with great self-control or with financial habits you admire who you could place in your life? Be it online, offline, in your social circle, in your family group or otherwise?

Of course, while we can curate positive Money Environments that benefit us, we can also unwittingly be cultivating negative ones. Think about the adage 'Keeping up with the Joneses'. Comparing ourselves to our neighbours isn't a modern phenomenon. The phrase 'Keeping up with the Joneses' was originally the title of Arthur 'Pop' Momand's comic strip in The New York Globe that began in 1913—depicting the social climbing McGinis family and their attempts to 'keep up' with their next-door neighbours the Joneses.

What is unique today is who we compare ourselves to. That's because today, thanks to social media, many of us compare ourselves to our peers around the globe—not just our immediate neighbourhood—and find ourselves wanting. While this global comparison culture may take a

psychological toll, it's the detrimental financial effect that I'm most concerned about.

To explore this further, let's look at a study conducted by the Federal Reserve Bank of Philadelphia titled 'Does the Relative Income of Peers Cause Financial Distress? Evidence from lottery winners and neighboring bankruptcies'. The researchers looked at Canadian data relating to lottery winners and bankruptcy claims from 2004 to 2014, centring on people who won less than \$150,000. They discovered that the bigger the lottery win in a neighbourhood, the more cases of bankruptcy there tended to be in the same area.

To be clear, it wasn't the lottery winners that were going bankrupt; it was their neighbours.

The researchers discovered that where the lottery winner spent more on visible goods, such as cars, renovations and holidays, their neighbours also tended to spend more on conspicuous goods and invest more in speculative investments. The neighbours compared themselves to their lotto-winning neighbour, and felt they needed to 'keep up' with their consumption, despite not having received a financial wind-fall themselves. Of course, with this increased spending on the part of those non-lottery-winning neighbours, the researchers also found an increase in borrowing, financial distress and bankruptcy levels.

My concern is that, sure, you probably don't have a lottery winner living next door, but thanks to social media and the sharing of our ever-increasing conspicuous consumption, we're comparing ourselves to peers and influencers (who aren't even buying the products they're peddling), who are potentially influencing us by sending us broke. Earlier we looked at who you could place in your life to increase your self-control and promote a positive financial environment. Now I want you to look at the reverse: Who do you need to unfollow in order to set up a healthy financial environment?

For example, when it comes to social media I follow a whole load of fashion brands and designers because I love clothes, shoes and overdressing. But I balance this by following people like Glennon Doyle, Elaine Welteroth, Elizabeth Gilbert, Brené Brown, Oprah Winfrey and other people I admire who help me stay grounded. But sometimes I'll consciously take a break from social media for a while or unfollow accounts if they're not financially healthy for me. I'll know if they're not financially healthy if I'm hitting 'Click to buy' more often, if my spending is increasing or if I don't feel that I'm the one leading my spending but rather I'm being too heavily influenced to spend. Certainly, twice a year I complete a 30-day financial detox where I don't buy anything new and during that time I unfollow or unsubscribe from anyone or anything that is putting my spending freeze in jeopardy. In other words, I control my online Money Environment.

Of course, figuring out if your financial environment is healthy or unhealthy is only the first step. If your environment is positive and healthy,

the next question is: How can you amplify those effects? Or, if you've acknowledged your financial environment is unhelpful or negative, how do you step out of it?

Some of you may struggle to answer these questions—you may be concerned you're stuck in a Money Environment with no way out. The good news is: you're not.

Three powerful tools that can help you set up a positive Money Environment for yourself are differentiation, self-reliance and our old friend self-control.

First up is differentiation. The theory of differentiation, according to Murray Bowen, who is considered to be one of the founding fathers of this movement, is the ability to both emotionally connect with others and yet at the same time remain autonomous. To be both together and yet separate. It's the ability to live our own lives with but differently to our family and society.

At the heart of differentiation is the struggle each of us faces daily to define ourselves as separate, autonomous individuals from society as a whole. The word struggle is key—because for many of us it's easier to follow the path our parents, our peers and society expects of us. Or to consume in the way advertisers tell us to. The danger for us financially is when we live in a way that goes against our values and the lives we want to design for ourselves just to appease those around us. Which is why it's important to answer the questions I've been asking throughout this chapter to help you determine if you're living based on your values or if you've simply adopted those around you, regardless of whether they're right for you.

If we think about our finances, differentiation is the willingness to reform the boundaries of your Money Environment, even though this might cause conflict and disappointment and go against the expectations of those within your environment. It doesn't mean we have to live separately from those who might be financially hindering us. To link this concept back to Dr Brené Brown's work on boundaries that we looked at earlier, it's about knowing our story, choosing our own brave new ending and setting up 'BIG' boundaries to support that.

The second tool that can help us build a positive Money Environment is self-reliance. 'Self-Reliance', an influential essay first published in 1841 and written by US philosopher Ralph Waldo Emerson, exhorted individuals to avoid conformity and to embrace their own instincts and ideas.

Self-reliance, according to Emerson, contains three main elements. The first involves learning to trust your own judgements. This element is summed up by Emerson's famous exhortation for people to 'trust thyself'. Of course, when it comes to our finances, one of the biggest barriers to self-reliance is that we don't trust ourselves. Many of us know we don't have enough self-control or we wonder how we can trust ourselves if we don't understand what we should be doing with our finances in the first place. Perhaps that's why so many of us will blindly base our spending decisions on

what strangers on the internet are doing or what Karen on Facebook is telling us. In order to develop financial self-reliance we need to choose to trust ourselves. To learn, to read, to discover and work out what's financially right for us—very much like you're doing with this book.

The second and third elements of self-reliance involve understanding how you can develop self-reliance and take action—which Emerson believed are achieved by fostering individuality and resisting conformity through your deliberate actions. He talked about developing intuition, instinct and inner-knowledge, and the courage that this endeavour requires. Because if you're listening to your inner voice, if you're following your inner values and creating a system that's separate from the norm, it may mean operating differently from those around you.

What does self-reliance look like financially? It's the ability to recognise and change your Money Story and your Money Environment to one that is right for you without the influence of others. Sure, you might ask for opinions, educate yourself and even engage professionals, but the ultimate decision you make will be one that follows your financial values. Because you trust yourself enough to take action that is potentially different than society would want for you.

The final tool that will help you create a positive Money Environment is self-control. Remember the marshmallow example and the Dunedin Study? Self-control is rejecting the Money Story that 'I didn't choose to act this way, it just happened to me'. It's creating an environment of systems, distracting habits and accountability for those of us who have naturally low self-control (which if you remember from the research is most of us). We'll look at habits in-depth in Part Three.

Part One of this book has been about identifying your Money Story and Money Environment. I'm hoping that by now you've recognised and identified who or what has influenced your finances up until now and are choosing to rewrite and reform those messages and environments.

Recognising and identifying your Money Story and Money Environment is akin to turning a light on and realising the room isn't how you pictured it and then choosing to reset, dust, redecorate and even in some cases to move to a whole new room. But ultimately, it's about realising you have choice. Part of that choice is to create new stories and environments that work in your financial favour as you start to identify and shape your own Financial Phenotype.

MONEY STORIES AND ENVIRONMENTS WORKSHEET RECAP

In the chapters on Money Stories and Environments there are exercises and questions I've asked you to complete but sometimes it's helpful to have everything in the one place. That's because I don't just want you to read this book and nod along—I want you to do something! To answer the questions, to discover your unconscious assumptions and to set up new ways of looking at and managing your finances.

This chapter contains no new information but rather is a recap of the exercises and questions I've asked you to consider so far. If you haven't already answered the questions as you went through the Money Story and Money Environment chapters, make sure you do it now. Grab a piece of paper and answer the following questions. You can also find them online, at melissabrowne.com.au. Click on 'Musings' and then click on 'Your Financial Phenotype Resources' to download the worksheet, which contains all the examples and exercises from within this book.

We began by discovering, identifying and rewriting our Money Stories. The following exercises and questions are recapped from [Chapter 4](#):

- What Money Stories did I learn from my parents, my peers, the media and those around me?
- How do these Money Stories differ from my Money Story as an adult? What Money Story do I hold today?
- What Money Stories have I rejected as an adult and what Money Stories did I keep?
- Who is the voice in my head when I think about money or what I believe about money? Is that voice pleasant, helpful, curious, judgemental, critical or even unkind?

If you're struggling to understand what your Money Story is, you might try some different financial awareness exercises that I covered in more detail in my book *Unf*ck Your Finances*. I've given you some examples with these

questions to guide you but feel free to come up with your own:

- When it comes to money, what attributes do I believe are good, what do I believe are bad, and what do I believe are okay? (For example, you might believe it's good to buy your own home or that all debt is bad.)
- If money was a person, how would I describe my relationship with it? (For example, is it a loving relationship, is it illicit and obsessive like an ex-lover that you can't stop thinking about, or is it potentially shameful and humiliating like a drunk uncle who you know will embarrass you in real life or online?)
- What are my wealth creation values? Are these values reflected in how I am spending and investing? If not, why not?

Recognising, understanding and even being tired of your Money Story or reacting emotionally to it positively or negatively are good things but they're only the first step.

The final and vital questions to ask are:

- Is that Money Story serving or sabotaging me?
- What Money Stories do I want to keep and what do I want to reject? In other words, what adapted Money Story do I want to write?

When it comes to determining what your Money Environment is, answering the following questions can help you figure out what the environment looks like and whether it is serving you or sabotaging you:

- Do I worry too much about what others think? What do I worry about when I connect or interact with others?
- How does my social circle influence my finances? Are these positive or negative influences? What is the evidence from my behaviour that they are positive or negative?
- Do I care more about how my life looks or how it feels? Why is that and how is that affecting my finances? Who or what is influencing this?
- What are some ways that I'm spending and investing in alignment with my values? What are some ways that I'm spending and investing out of alignment with my values? Who or what is influencing these decisions?

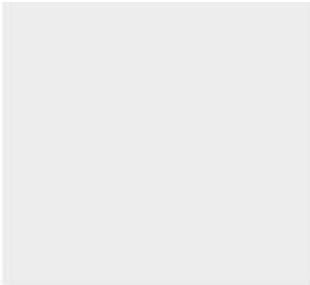
Figuring out if your Money Environment is healthy or unhealthy is only the first step. Other questions to ask include:

- If my environment is healthy, how can I amplify those effects?

- If I've acknowledged my financial environment isn't helpful, what steps can I take to step out of it and potentially put great boundaries in place?
- Am I living according to the life I want to design and my money values or according to the Money Story prescribed by my parents, my peers and society?
- Who do I need to unfollow in order to set up a healthy financial environment? Conversely, who do I need to follow to promote financial balance?
- Who can I place in my life that has great self-control or that I admire financially to form part of my strong financial environment?

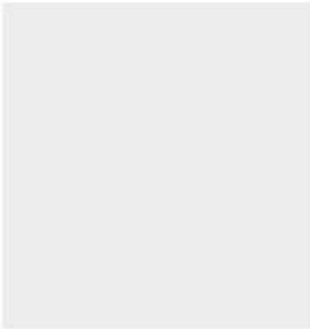
If you want to make it interesting and easy to stick to, have your partner and friends read through the relevant sections and complete the worksheet too. Once we begin to understand each other's Money Stories, we can relate to each other financially, free from judgement and blame. Instead, we can approach our finances together with curiosity and interest.

Of course, up until now we've only looked at nurture, through your Money Story and Money Environment. Once you've completed these questions and exercises, it's time to dive into Part Two, which is all about nature and figuring out your Money Type.



PART TWO

Nature



Money is only a tool. It will take
you wherever you wish, but it will
not replace you as the driver.

Ayn Rand

NATURE: HOW WE INNATELY BEHAVE

Your Financial Phenotype is the approach of understanding how your learned (nurture) and innate (nature) traits and tendencies interact. So far we've looked at nurture (our Money Story and Money Environment)—now it's time to look at nature.

Too often I hear people argue that they're simply not good with money. Or that they're creative, therefore they're not good with numbers. People have even told me they missed out on the 'money gene'!

This led me to question whether there is truth in these statements. Can our genetics predispose us to be good or bad with money? To make reckless spending and investing decisions? To have a spending inclination or a saving inclination? Or conversely, to make smart, consistent financial choices? Is having a good or bad financial disposition really a thing?

Part of the issue for you and me when it comes to nature is that it's assumed we know how our bodies behave because we walk around in them all day. Yet, there is still so much that scientists are discovering. The truth is we're not always wise to our nature or how and why we inherently behave the way we do. This is especially true when it comes to our financial nature.

It may surprise you to know that researchers around the globe are looking to answer these nature versus nurture financial questions. They're seeking to discover how hardwired—how steeped in nature rather than nurture—our money habits are.

According to researcher Hersh Shefrin 'nature plays the same role in financial decision-making as it does in athletic ability'. In his report, 'Born to Spend? How nature and nurture impact spending and borrowing habits', Shefrin claims that 'only 25 per cent of us are born with what you might call the "self-control gene" that makes us immune to spending temptation'. This suggests that the majority of us suffer from a lack of our old friend self-control when it comes to our spending and saving, something I see a lot in my line of work as a financial advisor and that we've already recognised in Part One.

Now, developing and cultivating self-control doesn't sound like a silver

bullet or a radical finding but researchers are discovering that when it comes to how well we exercise self-control with our finances, understanding our nature matters.

To understand how this works, let's start by looking at research into the brain. Over the last few decades, scientists and researchers have begun to develop a deeper understanding of how the brain works, particularly when it comes to our decision making process. We now understand there are three main parts of the brain. The first is the cerebrum, the largest part of the brain, which controls our movements, thoughts, senses and emotions. The second is the cerebellum which is involved with our motor skills, helping us maintain posture and balance. The third is the brain stem, which is responsible for many of our automatic functions such as breathing, walking, digesting, sleep cycles, swallowing and more.

To explain how these three different parts of the brain interrelate, Shefrin uses the analogy of the elephant and its rider, which we'll keep returning to as we dive further into nature. Shefrin explains that the

way our brains make decisions can be equated to a human rider atop an elephant. The elephant represents our habitual, fast thinking processes—things like walking, breathing, brushing our teeth, taking care of simple chores. The elephant is strong yet difficult to control. The rider on the other hand represents our 'strategic' processes—activities like planning, list making, and other deliberate efforts to overcome our instincts. Often people try to guide their behaviour relying on rules of thumb, known as heuristics. However, our own biases lead to misjudgements often and put us on the wrong paths. The question we all wish to answer is: How do we overcome natural instincts and our habits to successfully equip our riders with skills to point their elephants in the right direction?

If we relate this back to our finances, the elephant represents those mindless financial habits we've adopted and do without even thinking. A simple example might be that we automatically tap and pay by credit card when we buy any sort of good or service. It doesn't even occur to us to use cash or our debit card. It's an automatic, instinctual action and we don't think about it when we do it. While the rider represents our more planned financial activities. This might involve setting weekly time aside to look at your finances, being deliberate around goal setting, planning meals and writing shopping lists, setting up your bank accounts in a way that works with your spending and saving inclinations and more. It's a slower-thinking, learned and more strategic set of financial actions than the ones the elephant completes. Finally, the elephant has favourite financial paths it likes to walk down—preferred routes, tried and true pathways that it feels comfortable travelling down. These might be financial rules of thumbs such as spending and savings rule we looked at back in the introduction: spending

50 per cent needs, 20 per cent savings and 30 per cent wants. Or the widely accepted Money Story in Australia that everyone should own their own home, or, around budgeting, how much credit is acceptable to have, and more.

Once we understand the relationship between the elephant, the rider and the pathway we can start to question our own financial decision-making mechanisms, our own automatic responses and the financial paths we naturally walk down to determine if they're really suited to us. There are three main questions we want to answer then when it comes to our finances:

1. What are the fast-thinking and natural instincts and habits that relate to my finances?
2. Which of these habits and instincts do I need to overcome, and which do I need to lean into? Which of these are serving me and which are sabotaging me?
3. Thinking back to my Money Stories from Part Two, am I walking down a financial path that I don't really want to be walking down?

While these are our main questions, there is perhaps even another question beginning to form for you now that we should address before we go any further: Is it even possible to change how our elephant behaves, to equip our rider and to change the path we're naturally inclined or unconsciously biased to walk down?

I'm the sort of person who reads the last page in the book first, so I'm going to give the ending away here: I believe it's not only possible to work with and reharneass our natural instincts, biases, stories and environments so they serve us rather than financially sabotage us; it's essential!

Will some people find this process easier than others? Do some people have a naturally better-behaved elephant? Or in other words, what role does nature play in our ability to apply self-control to our finances? Scientists and researchers are discovering the answers might be found by studying how our brains function.

Let's look at the experiment conducted by Todd Hare, Colin Camerer and Antonio Rangel in 2009, reported in a paper called 'Self-Control in Decision-Making Involves Modulation of the vmPFC Valuation System'. In this study, the researchers monitored the brain patterns of a group of 'self-confessed dieters' while they were shown photos of 50 different foods ranging from healthy foods such as fruit and vegetables through to not-so-healthy foods such as chocolate and chips. The participants were then asked to rate these different foods both on taste and health benefits and the researchers created an index system based on their responses. At the end of the study, the researchers asked the participants to choose food to eat based on the index they had created.

Now I want you to take a guess: do you believe that the ‘self-confessed dieters’ all chose the healthy option as rated by the index? If you answered ‘No, only some did’, you’d be right.

Therein lies our critical question when it comes to nature: Did the researchers determine a difference in brain activity between those who exercised self-control by choosing healthy options and those who didn’t? They certainly did—the difference was in brain region activity, particularly in the pre-frontal cortex or the slow-thinking part of our brain. The researchers in the experiment identified two regions in the brain: ‘goal-directed decisions have their basis in a common value signal encoded in the ventromedial prefrontal cortex (vmPFC), while exercising self-control involves modulation of the value signal by the dorsolateral prefrontal cortex (DLPFC).’ The researchers called those who were able to choose the healthy option ‘self-controllers’.

To put it in plain English? Researchers discovered region vmPFC was activated when a value-based decision needed to be made. Do I want to choose chocolate or the healthier option of a piece of fruit? Do I want to continue saving for a house or take my savings and head off on a holiday to Bali? Whereas the DLPFC region was only activated for those who were seeking to exercise self-control. I’ve weighed up the benefits of taste vs health and decided to choose the piece of fruit. I’m tempted to scoot off to Bali but am choosing the long-term goal of buying my own home and will go camping instead. The DLPFC region tempers and modulates the vmPFC region. It’s like an internal voice asking you if you really need to eat that entire block of chocolate or if you really need that new pair of shoes or would you benefit from exercising some self-control instead?

If we think about our finances for a moment, these findings have implications for those of us who don’t have an active DLPFC region or who aren’t natural ‘self-controllers’. It suggests that there are in fact those of us who, because of how we’re hardwired, will naturally look after our future self and will more easily delay gratification. While there are others who are more impatient, who will raid their savings account more readily—who have a propensity to instant gratification and seeking an immediate reward.

Which leads me to ask the question: Does this research suggest, therefore, that the widely held view that some of us are naturally spenders while others of us are naturally savers is in fact accurate? The answer, for those of you who identify as a spender, thankfully, is no.

Researchers such as Dr Anne Mostafa, a psychologist based in Bahrain, argue that our genes may bring about the tendency to spend or save, but they don’t necessarily produce the behaviour. In an interview with Gulf News, Mostafa said, ‘The environment and society exert the primary influence on whether the behaviour will appear or not. Biochemical balances of neurotransmitters like dopamine and serotonin are biologically or genetically set. Then, other influences make them more or less intense’.

In other words, while nature might bring about the inclination to spend or save, the relationship between nature and nurture affects whether we act on that inclination.

Why do biochemical balances matter when it comes to money? A 2005 research paper titled 'Neural predictors of purchases' by Brian Knutson, Scott Rick, G. Elliott Winner, Drazen Prelec and George Loewenstein studied the brain's reactions when consumers made purchasing decisions. What they already knew and acknowledged was that other researchers had already been studying how the brain reacted to purchasing decisions. For example, the brain reacts to our product preferences with research proving that men who looked at pictures of sports car versus a regular sedan showing increased midbrain MPFC activity. What Knutson and his fellow researchers in this study found was that pleasure centres in the brain were activated when some consumers anticipated a purchase because they were about to receive a gain. While pain centres in the brain were activated when some consumers believed that the price was excessively high because they were experiencing a loss.

In other words, the researchers could tell through changes in biochemical balances and activation in the brain that the consumers were experiencing real feelings of pleasure and pain when it came to their spending choices. There was real emotion attached to these choices and depending on the level of brain activation, this affected purchasing decisions.

But does this mean we're hardwired, depending on the level of pleasure and pain we experience, to be a penny pincher or a big spender? In a 2008 study called 'Tightwads and Spendthrifts', George Loewenstein found that different people experience different levels of 'pain paying'. He concluded this meant, depending on the degree of pain experienced, that people were either more a 'tightwad' or a 'spendthrift'. Loewenstein has commented that he believed 'it is unlikely that people will change from being a big spender to being a big saver or vice versa ... perhaps it is genetic.'

However, more and more researchers, including Anne Mostafa, argue that while we have this inclination towards spending or saving behaviour, it can be changed.

She reasons that 'we need to look at the factors we can control'—our thinking and behaviour. 'When a behaviour, which is within the "normal" range, is needed to be changed, we can look at changing thinking and perception, which reinforce it'. (This also suggests that when behaviour is outside the normal range, such as addiction, it may not be as easily changed. We'll look at this towards the end of Part Three.)

One of the behaviours that researchers believe we can easily change to affect our sensory system or inherent behaviour is how we pay for our goods or services—cash versus non-cash payments, such as card, smartphone or 'buy now pay later' platforms. In a 2019 study called 'Cash, Card or Smartphone: The neural correlates of payment methods', five Italian

scientists examined whether our brain activity could be modulated by the method of payment used.

In their paper, the researchers acknowledged that for hundreds of years the use of coins and banknotes have engaged and stimulated our sensory system. What they wanted to understand was whether we received the same stimulation from digitised payments—in this case through payments with cards or smart phones. Researchers discovered a far greater brain activation in the insula or pain region of the brain when they were showing payments with cash and coins. In other words, the person experienced pain and had a negative reaction. Far less brain activation was detected when the same individual was watching a payment by card or by smartphone. In other words, it hurt less. The supposition is that electronic and digitised payments would cause even less pain.

Why does pain matter? This research suggests that paying by cards and other digitised payments, 'likely mitigates the emotions linked to reward and regret around accumulating or paying money', which adversely affects our spending behaviour. We experience less regret, so we spend more and in turn save less.

This means that, while we may be individually naturally inclined to behave a certain way, modern society is causing us to be desensitised to spending and saving patterns due to the reduction of pain associated with using digitised payments. Consumer research consistently supports these findings. In 2001, Drazen Prelec and Duncan Simester of MIT found shoppers spent up to 100 per cent more when they paid using their credit card instead of cash.

But what does this all this research mean for our finances? While we might suspect that we are a self-controller or a non-self-controller by whether we identify as a spender or a saver, can we find a way to regulate our brain and our dopamine levels? Or do we need to reject technology and move to cash only? Do we just give up now and acknowledge that our genes are driving and controlling us and modern society is making it impossible for us to do anything about it?

The good news is, the sum results of these experiments show we can take heart knowing that once we understand the driver for our behaviour we can adapt our behaviour or environment to create more positive financial outcomes. How we do that isn't by rejecting modern technology and becoming a hermit, but rather by observing and recognising how we inherently financially behave and developing unique systems that financially benefit us.

The truth is some of the changes we can make will have an immediate effect, such as at times switching from digitised payments to cash. Or finding a dopamine kick from somewhere other than simply spending money. For example, it's possible for us to receive a dopamine hit from other places. That might include getting enough sunlight, meditating, listening to music,

getting enough sleep, exercising regularly, consuming probiotics, eating less saturated fats, eating more protein and even having sex. This means that, sure, while nature can give some people a financial advantage by giving them an inbuilt rewards-based system, it's possible to create a similar environment or new pathways with the type of environment you create for yourself. It means you can artificially create an environment conducive to increased self-control.

While it's helpful to understand how we innately behave, most of us aren't travelling with a suite of researchers and scientists to help us discover our financial DNA. That's why I've developed the system that helps you identify how you are financially inclined to behave for yourself: your Financial Phenotype.

Understanding your Money Story and Money Environment is the first step in discovering your Financial Phenotype, while identifying your Money Type is the second step. Discovering your Money Type (and it could be one or a combination of types) helps equip your rider with the tools to manage your elephant and guide it down the financial path you want it to follow.

The following chapters discuss the concept of Money Types and help you discover your own. Money Types aren't excuses for bad behaviour or about pigeonholing you into a fixed way of behaving. Instead, they're designed to help you understand how you innately behave with your finances so that you can amplify your strengths, minimise your weaknesses and develop a suite of financial habits that are right for you.

YOUR MONEY TYPE

Let me start this chapter by saying it's almost amusing to me that I've created a financial personality-type system. That's because in life, I despise labels and will attempt to act contrarily to whichever one you try to place on me. Which, of course, is often how many of these personality-type quizzes describe me, including my own star sign (I'll let you guess what that might be). I'm usually the 'rebel', challenger or other contrary type personality when I do take these tests.

As I've mentioned before, one of the hurdles we face when it comes to money is that we're not used to recognising or observing our financial behaviours so, in the absence of this, sometimes having a system or catalogue to guide us is helpful.

And as we discovered by our deep-dive into nature, some of us are riding a stubborn, unruly elephant that is naturally inclined to walk down a particular path. What we don't want to do is simply give up, throw our hands in the air and say, 'Oh well, that's just how I am—no point even trying'. Instead, we want to find ways to harness and work with the strengths of our elephant rather than try to fight against it. We also want to figure out where our natural weaknesses are and how they're causing us to engage in basement behaviours. And most importantly to come up with strategies to ensure we're not giving in to them.

That's why I've identified four different Money Types to help you define and recognise how you innately behave when it comes to your finances. These Money Types are:

The Worker: Hard work will get you everywhere.

The Creator: If you dream it, you can do it.

The Discerner: You can think your way to success.

The Relator: Success comes through collaboration.

In the next chapter you're going to figure out your own unique Money Type, and in the following chapters we'll look at the attributes of each Money Type and I'll show you how to curate great habits for your particular

type. But before you dive in, I want to explain why Money Types are so important and what we're particularly looking at and for when we're seeking to understand our personal Money Type.

I'm doing this because, remember, I don't want this to just be a cute or fun read—I want it to be transformational for your finances.

When we look at Money Types, it's about not simply minimising our weaknesses but understanding and harnessing our strengths. Now, most of us understand we have innate weaknesses, especially when it comes to our finances, but we don't always recognise that we have strengths. I mean, if you identify as a spender or start to break out in hives at the thought of a budget, chances are you've already convinced yourself you're bad with money. The truth is you're not—you're just trying to work within a system that's broken and simply doesn't work for most of us. That's why, instead, it's about figuring out where your strengths lie and developing a system that's right for you.

Let me explain why identifying and working with our financial strengths is important, by looking at a speed-reading study completed by Don Clifton when he was a researcher at the University of Nebraska in the 1950s.

The research started with two groups of readers: one group who were gifted and able to read with comprehension at 350 words per minute, and a second group who were reading at around the average speed of 90 words per minute. The researchers decided to put both groups through the same speed-reading course to see what would happen. The group who were reading at 90 words per minute improved to about 150 words per minute with comprehension, or about a 66 per cent increase. The gifted group, meanwhile, didn't just improve by the average group's percentage; instead, they increased all the way up to 2900 words per minute. A phenomenal 828 per cent increase.

As a side note, just as interesting to me was the discovery by the researchers that just under 10 per cent of the gifted group of speed-readers weren't aware that they had this innate talent. They thought the speed they were reading at was normal behaviour because they didn't know any other way to read. In the same way, many of us aren't aware of our own innate financial talents.

I believe this speed-reading example beautifully explains why understanding the strengths of our Money Type is so important. It's about recognising and understanding the strengths in our inherent behaviour so we can develop a plan that harnesses and plays to those already dominant strengths. As most of us don't have access to researchers, scientists and neurotransmitter machines to discover our inherent financial strengths, the next best way we learn about our financial nature is by understanding our Money Type.

But before we go any further and you get excited about popping a giant label onto yourself, it's so important to understand we don't all fit neatly

into a box.

I wish we did. Life would be so much neater.

The truth is many of us are hybrids of Money Types: we have a primary and a secondary Money Type—one that is dominant and one that is lesser. For example, we may primarily be a Creator but with a pinch of the Relator. Or we might primarily be a Discerner, but when we're stressed we default to the Worker. These chapters are about understanding the strengths of both your primary and secondary Money Types and playing to those strengths, so you can increase your financial potential. Remember how the gifted speed-readers were able to increase their ability exponentially by harnessing and developing their innate strength? We want to do the same thing here.

It's also important to understand there's no judgement with whatever Money Type you identify with. No one Money Type is better than another.

Every Money Type can financially thrive, behave poorly, avoid their finances, save, invest well, sabotage or behave recklessly or unconsciously. What we're doing here is looking at how you're naturally predisposed to behave so you can lead financially with your strengths, instead of simply relying on a homogeneous system you hope will be right for you. We're also, just as importantly, identifying the weaknesses that might be apparent in your Money Type so that you can be aware of them and create behaviours and habits that limit their destructive force on your finances.

Once we understand our Money Story and our Money Type and create a suite of habits that are right for us, the power of this should be like a financial rip-current. Now, if you live by the beach, you'll understand that analogy; however, for everyone else let me quickly explain. Many of us understand that ocean safety is vastly different than pool, lake or river safety, and the thing about being caught in a rip, or a strong current pulling us out to sea, is that the actions we need to take are counterintuitive. Our instinct is to swim straight for shore, but instead we need to swim with the current in the rip, despite appearing to be dragged straight out to sea and to the dangers lurking there.

Creating a financial rip-current is about setting up systems that are custom-designed for our success rather than trying to fight against the current in our daily lives or the things we think we should be doing but are actually wrong for us. In other words, using the strength of the current to benefit us and to pull us along.

The truth is we can continue to beat ourselves up for not being disciplined, we can persist with investments that feel wrong for us, we can try to convince ourselves not to chase the herd, we can try to swim against the current. Or we can seek to understand ourselves and our behaviours, and set up processes that work with our strengths to protect and push us forward financially.

As you move through the following chapters, think about what you're naturally good at or how you're naturally predisposed to behave. As well as

thinking about where you struggle and what feels unnatural to you.

Now, some of you, when you read that last sentence, answered, ‘Money, full stop!’ For some of you the concept of listing strengths and weaknesses when it comes to money feels too hard because to be honest you feel like you have a whole lot of weaknesses and not a whole lot of strengths. Or maybe you struggle to think about your strengths. That’s part of the reason why we started with your Money Story, so you can think about why you feel that way and separate the story in your head from how you’re actually predisposed to behave. (Remember to use the phrase ‘The story I’m making up is ...’ to challenge these emotions.)

But it’s also why, when I’m taking you through the quiz or the different Money Types, I’m going to use a table, real-life examples, non-financial examples and stories, so you have lots of different ways of applying and relating the information to you. If you’re really struggling, perhaps think about how you behave with food, with exercise, at work or in relationships. By borrowing concepts you’re far more familiar with thinking about, you’ll be able to identify similar behaviour when it comes to your finances.

In the next chapter is a quiz to help you determine which Money Type best fits you. Of course, once you’ve read through these chapters, if you feel that another Money Type seems like a better fit, allow yourself to be curious about that and maybe even adopt a hybrid approach. You’ll be able to tell if you’re not a particular Money Type because it will seem unappealing, jarring and even just plain wrong. That’s okay—it doesn’t mean that Money Type is wrong or problematic, it simply means it’s not you.

As always, if you have a partner make sure you include them so that you’re creating a new language for each other when it comes to money. With your partner (or even your peers or family group), look at your Money Stories and Money Types together. (I’ll give examples throughout the chapters about how relationships with different Money Types work in my own life.) And if you are in a relationship with someone who has a Money Type that feels wrong to you, make sure you start to be curious around why that is. Perhaps you’ve assumed your partner has been doing money wrong, when they simply express themselves financially differently from you.

The most important thing you can do when you are in relationship with other Money Types, whether that’s romantic or otherwise, is to recognise that, to talk about it, to discuss your strengths and weaknesses and how you can support each other and put in place great financial strategies so that you both feel safe and supported.

If we’re constantly trying to push against how we’re naturally designed to behave it’s exhausting. It’s why so many people financially throw in the towel and give up, or just coast and hope for the best: it’s just too damn hard. Understanding your Money Type will help you design a system that is so strong it will pull you, with very little effort on your behalf, to the future you have planned (or the future you will dare to plan).

WHAT'S YOUR MONEY TYPE?

When you bought this book, you may have skipped straight to here to figure out your Money Type, after which you'll pop the book away and stop reading. Please don't. Money Types are only part of your story. I don't believe we can truly effect lasting change on our finances until we understand our Financial Phenotype—our Money Story and Money Environment as well as our Money Type—and develop great habits that work for who we are. Your Money Type is a key piece of the puzzle, but it's only part of the puzzle.

The following questions are designed to help you identify your Money Type/s. When answering the questions, circle the letter (a, b, c or d) that precedes the answer that best describes you—answering them how you would respond rather than how you think you should respond or how you'd like to respond. If there are two answers you identify with (or even if there is no answer that you completely resonate with), just choose one that's closest to how you would act most often. Again, understand there is no judgement, no right or wrong answers, no one Money Type that's better than any other type.

You'll notice some of the questions have nothing to do with your finances or might seem a little flippant or lighthearted. Don't be put off by that—sometimes we're not used to seeking out our behaviours with our finances and sometimes we can glean how we might behave financially by looking at other areas of our lives. But above all else, trust yourself and your answers.

MONEY TYPE QUIZ

1. People are likely to describe you as:
 - a) Dedicated, hardworking, focused and driven
 - b) Innovative, passionate, playful and creative
 - c) Successful, smart, intelligent and witty
 - d) Loving, giving, kind and compassionate
2. You are frustrated most by other people who

- a) Want to sit around talking rather than getting things done
 - b) Aren't as idealistic and big-picture thinking as you
 - c) Do things a particular way because that's how it's always been done
 - d) Don't consider the human side of things
3. When starting a project, you prefer:
- a) Jumping right in and starting; you can solve any problems that arise as you go
 - b) Spending time creating vision boards and mission statements, imagining how the project may look, feel and succeed
 - c) Thinking about how you might best tackle it; you may spend as much time thinking as doing
 - d) Collaborating with others—talking and discovering the best way you might tackle the problem together
4. When exercising, you most prefer:
- a) Working out by yourself and challenging yourself physically
 - b) Yoga or working out with a personal trainer
 - c) A flexible approach you'll adapt depending on what you're currently training for and what you want to achieve
 - d) Group activities, gym classes and working out with others
5. Motivation techniques you employ or gravitate towards:
- a) You don't usually bother with motivating techniques; you'd rather just get to it
 - b) Daily mantras, vision boards and affirmations
 - c) It depends on the task, but you'll determine a few techniques that might work and see what fits
 - d) Telling others and having them keep you accountable
6. You are the sort of person who:
- a) Gets things done
 - b) Likes to try out new activities
 - c) Likes to understand the underlying theory
 - d) Considers other people's feelings
7. When you're stressed about a financial decision, you are most likely to:
- a) Put your head down and get on with it, and in doing so avoid the issue
 - b) Daydream, design and sidestep or avoid the financial details
 - c) Suffer paralysis by analysis by running multiple scenarios in your head and not deciding on one
 - d) Be influenced by your friends and family
8. You prefer to unwind by:

- a) Exercising or keeping busy
- b) Meditating
- c) Reading a book or completing puzzles
- d) Hanging out and connecting with your loved ones

9. You feel your best when:

- a) You're recognised for your achievements or you reach a milestone you set for yourself
- b) You're imaginatively expressing yourself
- c) You're intellectually challenged or stimulated
- d) You care for, love or rescue others

10. When it comes to your finances and investing, you are frustrated by:

- a) Other people's ability to earn and accumulate more than you despite not working anywhere near as hard
- b) Any time you're forced to rationalise your decisions on data rather than intuition
- c) People who are sucked in by schemes or who can't think for themselves
- d) The fact that it seems to be every person for themselves

11. When on social media you:

- a) Think it's a waste of time, which is why you're rarely on it and are even less likely to post something
- b) Follow sites that inspire you
- c) Overthink your posting and are often judgemental and critical of others
- d) Find out what everyone's doing and like friends' posts

12. When it comes to New Year's resolutions, you:

- a) Don't bother with them
- b) Spend time manifesting and putting out your positive intentions for the New Year
- c) Rarely bother; while you appreciate goal-setting, you can't understand why it has to happen on an arbitrary date, such as 1 January
- d) Make one at a New Year's party because everyone else is and then feel obligated to follow through with your peers

13. When it comes to financial decision-making, you tend to base your decisions on:

- a) How comfortable and confident you are with it
- b) Your intuition and how you feel about the decision
- c) Your research, the actions of people you admire and concepts you've

heard of

d) What other people are doing and saying

14. When at a restaurant and choosing a wine to drink:

a) You'd prefer beer or a cheaper wine; you're happy leaving the choice to someone else, unless you know they're going to order something expensive

b) Who's drinking wine? You're more likely to order a cocktail, champagne or whatever the cute sommelier suggests

c) You know the restaurant wants you to pick the second wine on the list (there's science behind it) and so you choose either the cheapest of your preferred varietal or one you recognise and enjoy, or you have a chat with the sommelier

d) You're happy to go with whatever everyone else wants—preferably sharing a bottle

15. When you're stressed or upset, your financial style is to:

a) Work more—whether that's at work, at the gym or around the house

b) Spend on yourself—experiences or things that will elevate your mood

c) Overthink and potentially overspend

d) Hoard resources or dive in to rescue others, even if it's to your own detriment

16. Something about your finances you'd rather not admit is:

a) You don't have the amount of assets others think you should have (or you think you should have) for how hard you work

b) How much you worry about money (particularly your debt) and how that impacts your creativity

c) You might not have the financial answers or be where you think you financially should be

d) How much your finances are compromised by putting others' needs before you own (you wouldn't want to worry people)

17. When it comes to spending or investing, you're most likely to be influenced by:

a) The ease with which you can comfortably spend or invest rather than by a person, or bite-sized information from podcasts, Twitter or another short-form medium

b) A guru you admire on social media or the latest stylish tastemaker

c) Experts in the field you admire for their opinion, their taste or their sensibility

d) Your family, your partner, your peers and your community

18. If money was no object, the airfare you'd opt for would be:

a) Economy—you can't justify spending more on airfares

- b) Business or first class, which you'll start posting on social media the moment you hit the lounge and order your first champagne
- c) Business class with a points upgrade to first class—you can't rationalise the additional cost
- d) There'll be six airfares because you're paying for your whole family or friendship group, and of course you'd love them all to experience business class together

Add up the number of times you circled each letter.

a) _____

b) _____

c) _____

d) _____

I've identified and defined four main Money Types, which are explained in detail in the following chapters. Your highest score is your primary Money Type. If you have a second score that is relatively high compared to the remaining two, this is your secondary Money Type.

- a) The Worker
- b) The Creator
- c) The Discerner
- d) The Relator

YOUR MONEY TYPE EXPLAINED

THE WORKER

Financial Attitude: Earn it, do it

Money Trait in One Word: Pragmatic

Money Mantras: Hard work gets you everywhere. Slow and steady wins the race

Belief System: I am worthy because of how hard I work and how much I do

Strengths: Hardworking, consistent, loyal, fact-driven, comfortable building over the long term, rule-follower

Weaknesses: Rigid, overly cautious, can be prone to burnout from long hours or overworking, may ignore own ideals to get the job done

How You'll Make Money: Personal exertion, building savings, property

Under Stress: May suffer paralysis by analysis, can be unwilling to part with large cash buffers, may work until they drop

Spirit Animal: Ox—industrious, persistent

Your Finances

If you're a pragmatist, you might identify with the Worker Money Type.

Financially, you're probably straightforward, matter-of-fact and results-oriented and generally try not to let emotion distract you. You're all about doing—more concerned with real-world application of ideas than abstract notions. You prefer sequential order to abstract reasoning.

When it comes to finances and investing, you're bottom-line oriented. A Worker Money Type wants to see physical proof, results, actions and substantiation. You are financial plodders (you're the tortoise in the story

‘The Hare and the Tortoise’) but you’re generally persistent and willing to work hard and build something over the long term.

As a Worker Money Type, you aren’t usually interested in unrealistic dreams, but rather you believe in setting achievable goals that are attained through hard work. Workers usually have a great work ethic and will often be rule-followers. That’s because you believe hard work is how you build wealth.

You’re more likely to invest in property because it’s safe—you can touch it and understand it. And if you can make the investment even more defensive, you like it even more. You’re attracted to safety mechanisms. For example, while you may feel comfortable buying an investment property, if you can de-risk it further you will, such as by applying to the Defence Housing Australia program where you’re willing to take a lower rate of return for the added safety of guaranteed returns and a tenant that won’t trash your property. Or you might be inclined to buy investment properties in the area where you live because you understand it; therefore, to you it’s safe. You’re motivated to fix your interest rate and want to pay off your mortgage as soon as possible

When it comes to spending, the Worker can fall into ‘feast and famine’ mode. You’re typically frugal but you may overspend unconsciously because you’re too busy to appreciate the cost of what you’re spending on. This might include overspending on food because you’re time-poor or not unsubscribing from services that you’re not using—you don’t even notice you’re still paying for them. You’ll potentially have twelve white t-shirts in your closet, or six tins of coffee or eight packets of toilet paper because you’ll buy without realising you don’t need something. To an outsider, because the Worker is usually not a conscious spender, when you do spend it can seem sudden and excessive, but you’ll quickly fall back into your usual spending habits.

You’re a realist in that you’re able to accept you can’t have everything and you’re willing to compromise to get a desired outcome, even if the compromise means you don’t get everything you want. For example, you might buy a lower cost property near a university that may give you lower capital growth but a higher rate of income. Or you might work longer and longer hours despite understanding this might compromise your new relationship.

As a Worker, you base your self-worth on accomplishment or what you do—work takes precedent, somewhat paradoxically, over finances.

You wouldn’t bother with New Year’s resolutions or vision boards. You’re not necessarily rewards-based, but often will have simple goals you can work hard towards achieving.

A weakness of the Worker is your single-minded attitude towards work. While this focus can mean you’re a successful and loyal employee, it can also mean you’re prone to burnout. You are programmed to believe that success is linear—the more effort you exert, the greater the reward—and you’re disappointed in others that don’t show the same dedication and discipline.

When you're uncertain or in times of change, instead of doing something different, a Worker will tend to buckle down and work harder, which means you end up stuck in a rut of doing something that no longer works for you financially. You'll also potentially miss out on opportunities but fail to see this because for you, if you're earning through exertion, that's enough. Certainly, in times of falling wages and low inflation, this can be a financial recipe for disaster. As a Worker, you can also tend to simply do more of what you know because it's easier. For example, you might buy multiple properties in one location, meaning you're at risk if that investment or suburb drops, or you might only consider charging in-person and by the hour in your business rather than using value-based pricing or selling your services online because that's what you know and feels comfortable; you have a tendency to play it too safe.

If you're in business, you're probably a business-builder rather than an entrepreneur. You may have found you've bought yourself a job because of your unwillingness to delegate, but you will build, hold and be willing to put in the hard work and long hours to get the job done. You may not foresee or have considered an exit plan—in fact, you can't comprehend not working. You may struggle taking time off or holidays because others won't work as hard as you will.

In Relationships

As a Worker, you may be frustrated by other Money Types who aren't as practical or outcomes-based as yourself. Someone of a different Money Type who partners with a Worker may be frustrated by their rigidity and by their willingness to only earn income from their own exertion, by their potential long hours worked and by their unwillingness to take risks.

If you are a different Money Type, how you relate to a Worker financially is to come prepared with a well-thought-out plan rather than simply an idea. Be prepared for the Worker to mull it over—find ways you can help them financially build (or take smaller financial steps) rather than financially leap.

If you've partnered with a Worker in business, you'll be appreciative of their work ethic and willingness to jump in and get things done; however, you may feel frustrated that they may appear to be busy for the sake of it—busy with what you see as the wrong thing. In other words, they're being busy but not productive. How you'll get the best out of them is to spend some time with them focussing their energy and attention in the financial direction you mutually agree is right for you both. And then let them go and do it, making sure you check back in if you need to tweak their direction.

Real-Life Examples

If you're a Worker Money Type, you believe in hard work, you're pragmatic

and you're often not interested in a whole lot of fluff and BS. Well-known Worker examples might be Sheryl Sandberg, COO of Facebook or Hillary Clinton; another might be Marissa Mayer, who, when at Yahoo, famously used to say she worked 130 hours a week. Interestingly, the Guardian reported that while Marissa may need only four to six hours' sleep at night, she recognised her Worker mindset by scheduling weeklong vacations every four months. That's an example of a Worker leaning into their strength (if this works for her) but also managing burnout (somewhat) by scheduling regular time to reset.

The most detailed example of a Worker I can give is my husband, Tony. Tony is a physiotherapist and was the partner in a busy physiotherapy practice for over twenty years. During that time he also worked with many different sporting teams, including the national rugby league (NRL), cricket, netball and paddling.

When I met Tony, he was essentially working two full-time jobs. He was working over 45 hours a week in the physiotherapy practice and over 40 hours a week as the full-time physiotherapist for a professional NRL club, including travelling with the team to all games. As with Marissa Mayer, he typifies a Worker in that he believed in earning income through his own personal exertion—and lots of it.

The danger for Tony and Worker Money Types like him is they can become a 'wage slave', even if they're self-employed. (By a wage slave I mean they're trapped in or tied to their jobs because they have no other investments or income streams.) That's because they prioritise their wage or their ability to earn an income and don't necessarily invest because they lack the confidence or the time. So, while they may earn a good income through their willingness to work hard, this doesn't necessarily equate to substantial assets generated. In fact, many Workers will have the same or less assets than other Money Types despite feeling like they've worked harder, which can lead Workers to feel frustrated and discouraged.

When Tony and I started a relationship, in 2006, he had a fairly large sum of money in a savings bank account that he'd been intending for years to use as a deposit for a home. The problem was he was too busy working to really do anything about it. I also suspect he wasn't convinced where to buy and didn't have time to research alternatives. Because he lacked time and confidence, he stopped looking and defaulted to working instead because that was generating a good income, which meant he didn't need to panic about buying assets. This ability to earn income is both a strength and a weakness for a Worker. It can be an Achilles' heel if the Worker defaults to relying solely on earning an income and not building assets.

Tony, however, did have some assets other than cash in the bank. When he bought in to the physiotherapy partnership he also bought part of the building. That's because he understood the business and the location, and he understood that paying rent to himself rather than a landlord made sense.

He didn't need to spend time researching or analysing and in doing this could develop an asset other than simply cash. In other words, it ticked the Worker's boxes of a safe, understood and easy investment.

Tony also had outstanding income tax returns when we met. He had outsourced them to an accountant, assumed they would be completed and forgot about them. Unfortunately for Tony, the accountant didn't lodge his returns and dropped the ball. Tony had recognised his need to outsource, which is a great money habit for a Worker, but hadn't put in place checks to ensure the person he'd outsourced to was doing their job. Tony's default is typical of many Workers: to work and hope that everything else sorts itself out.

Tony sold the partnership in his physiotherapy practice in 2018. When I talked to Tony about different ways he could earn income now that he'd sold it, he ultimately reverted back to working as a physiotherapist, in a reaction typical of his Worker Money Type. If he's honest, he can't really imagine earning income another way than through his own personal exertion. He defaults to what he feels confident and comfortable doing, which still brings him in the income he wants.

Aside from his ability to work, one of Tony's strength is that he's not a spender. He recognises the hours that he puts in and how hard he works for that money. He also likes the safety of a large cash buffer and doesn't want to see it diminish with what he perceives as reckless spending. However, because he's busy and doesn't like lists or planning, he'll regularly and inadvertently buy multiple items that he already has. In this way, he has the capacity to be unconsciously neglectful or wasteful with some of his spending.

Now, just like people don't operate in isolation, different Money Types will also interact when they're in a relationship, which is why it's important to understand your partner's Money Type (and Money Story). Because I want you to start sharing stories and experiences and understanding how others interact financially, I'll share my interaction with Tony here. In my case, I'm a Discerner (we look at Discerners later in this chapter) with a small dash of Worker Money Type. In the past, I have been frustrated and surprised by Tony's seeming unwillingness to do anything other than primarily earn his income through working long hours.

To change his behaviour, I've tried telling him what my hourly rate is, I've tried taking him to talks by experts who will expose him to different strategies, I've tried giving him ideas as to how he could earn income in different ways. Tony is possibly one of the smartest people I know and theoretically understands these different strategies, but has said he knows he won't do anything about them because he can earn a good income through his personal exertion. In his words, he 'can't be bothered doing anything else'. Eventually, I've had to make the decision to let him earn money the way that's most comfortable for him.

However, because I know his natural inclination is personal exertion, I don't leave our investing decisions to him. Instead, I manage our family investing and I keep him regularly updated so that he knows what's going on with our money and feels comfortable, but doesn't have to worry about the details. The level of checking-in depends on the size of the investment. With a large share trade of over \$10,000 I might explain my thinking after the fact, but if it's a purchase of property we'll always discuss it prior. Tony has happily abdicated our Self Managed Superannuation Fund (SMSF) investing to me and I invest and trade in shares without his input. That's because while he's happy with the outcome, he's not inclined to be involved. If something happened to me, my recommendation would be that he sell up our SMSF assets and roll over the funds to an industry fund. That's because I know he'd ignore the investments I've made, potentially to his detriment. A managed or index fund you can set up, organise regular contributions to and then forget about is often a far better option for a Worker.

Tony's reaction to how I earn an income as a Discerner is to occasionally ask, 'How do you earn money again?' or to hassle me for 'not working' and having meetings, going to lunches and not going in to the office. While he admires what I do, I'm sure he doesn't think I have a real job, because his default thinking is that you earn money through earning an hourly rate.

At different points in our relationship, I have been frustrated with the hours Tony has put in and felt that he prioritised work over not just our relationship, but others as well. We've managed this by setting up weekly communication around when we're working, what time off we're having, when date nights are that week or even whether we need to book in a holiday. This way, simply by discussing it and organising our schedules so we prioritise each other, I feel valued and Tony can still work hard. Tony, like many Worker Money Types, doesn't enjoy goal-setting so we've come up with a system of weekly checking of schedules we call 'Communication Sunday'. By doing so, we've set up an expectation that at the beginning of each week we'll talk about and prioritise what we're doing without a whole lot of fuss. We also employ a simple and annual 'How do we have the Best Year Yet' list of actions and priorities so that my need to goal-set and strategise is fulfilled, but we're doing it together.

Another example of a Worker Money Type is Lauren Law, my co-founder at The Money Barre.

Many years ago, I talked to Lauren about possibly buying equity in my accounting firm, A&TA. That's because I wanted to reward her for her effort, I saw her contribution as vital and it was a smart succession plan. I think her exact words were, 'Hell no'. While that might have been partly because accounting was not part of her long-term plan, it was also because she feels far more comfortable working as an employee than being self-employed. (Not all Worker Money Types are like this, as is the case with Tony; however, even when self-employed, they'll often have a mentality of 'work till I drop',

an inability to delegate or take holidays, which means that they've effectively bought themselves a job.)

Lauren also has shied away from rewards-based incentives because she feels she's already being paid to do her job and naturally is an incredibly hard worker. Lauren, while fascinated by the share market, feels far more confident and safe with property and is incredibly incentivised to pay off her debts. However, just because Lauren is a Worker Money Type doesn't mean she only works. Lauren has also worked hard at developing a small property portfolio. She's done this in a similar way to Tony—through employing her discipline as a Worker to her spending habits and essentially cutting off her spending for a year and continuing to monitor her money, even after she bought her first home. But she's also been safe in the amount she's been willing to spend on each property—buying them at much lower average sale values than the average house price in Sydney or Melbourne. As mentioned, while Lauren has been intrigued about shares for many years, she has lacked the confidence to do anything about it. For example, when Xero (an online accounting solution) floated, she already knew the history of the company and was privy to their growth but she still felt uncomfortable about investing. As time passed, I would tell her where the share price was up to and encourage her to read books and listen to podcasts about share investing, and sign up to investment research sites. The result of all this education meant when the effect of COVID-19 initially wiped a large percentage from the share price, Lauren felt confident to buy a small amount. But to do so she needed time (in this case years), confidence and only a small investment.

As with Marissa Mayer, Lauren has recognised her need to switch off and reboot and is strict about not working on weekends. She has developed great personal habits, such as exercising, enjoying nature, taking regular weekends away and booking in annual holidays. That way she manages one of her biggest assets—her ability to work—but also her inclination to burnout by ensuring that she has long-term financial goals and shorter term financial goals as well as holiday goals and daily health and fitness goals.

THE CREATOR

Financial Attitude: Imagine it, manifest it

Money Trait in One Word: Idealistic

Money Mantras: If I can dream it, I can do it. I manifest my own success

Belief System: I am able to create what I want

Strengths: Open-minded, flexible, decisive, adaptable, optimistic, problem-solver, risk-taker

Weaknesses: Denial, rushing into decisions, susceptible to get-

rich-quick schemes, may dislike dealing with data, may base decisions purely on emotions

How You'll Make Money: Entrepreneurship, originality, manifesting, dreaming up new ways of doing business and investing

Under Stress: May be tempted to overspend, make decisions quickly without data and fall into default thinking

Spirit Animal: Monkey—crafty, opportunistic

Your Finances

If you're an entrepreneur or an idealist, you may identify with the Creator Money Type.

Financially, you're optimistic and able and willing to take financial risks and try new things. You're all about visualising, improving, manifesting and, for some of you, having a good time now (and looking good) while you're doing it. You trust and follow your gut, often lead with your emotions and can find it difficult to logically explain some of your decisions.

When it comes to finances and investing, you're sold by the dream. You're excited by the new, the innovative and your ability to create your own destiny. You are a financial sprinter (you're the hare in the story 'The Hare and the Tortoise') but you're potentially also hardworking, dedicated and constantly working on yourself. You see investing in yourself as a financial investment.

Creator Money Types aren't generally inspired by building something long term but tend to be the entrepreneurs and visionaries. You work best when surrounded by others who can take care of the details. You believe that if you imagine it, you can achieve it. This belief extends to your finances.

You're more likely to invest in a hot stock, a tech start-up or an investment property in an area that is likely to take off. You're far less likely to invest in blue-chip shares, building a long-term business or buying safe property in an area that will give you slow but consistent growth. That's because you're motivated by immediate results rather than building slowly for the future. You're attracted by growth, innovation and shifts in ideas, things and people.

Some Creators are susceptible to overspending today with a live-in-the-moment, 'it will be all right in the end' mentality. That overspending will potentially be on things as well as on experiences. These Creators either believe they can always manifest more or have their head in the sand and don't want to know the true cost. Finding ways to be comfortable investing, without feeling tied down or limited and without overspending on the one asset, can be helpful for a Creator. For example, rather than not buying a home because you want to be free to move on, you might consider buying an investment property that you rent out and then renting yourself instead.

You're an idealist in that you believe you can problem-solve solutions and are able to imagine an outcome that is better than anything otherwise conceived of. That doesn't mean it's always practical or realistic, but the ability to even fathom it is the first step to making it possible.

You can often find yourself more excited about creating the vision board or taking part in the goal-setting workshop or New Year New You manifesting session than actually doing something about it. But if the concept excites you enough and if you can find a way to creatively challenge yourself, you'll jump in with both feet. Often, successful Creator Money Types will inspire others with their vision and motivate them to take care of the details.

A weakness for some Creators can be an unhealthy obsession with money. This manifests in either a longing for it or an abject unwillingness to deal with it and a denial of any aptitude or need for it. It's often an extreme, one way or the other. This leads to decisions made without enough data and purely on gut feel as well as susceptibility to get-rich-quick schemes. That's because you're willing to be sold the dream and won't necessarily check that there's substance behind it. The Creator can have the propensity to run ahead with intuition and imagination, particularly in business or when making financial decisions, and needs to develop a data-based gut rather than simply relying on instinct.

If you're in business, you're a true entrepreneur in that you probably started with an exit strategy and already have ideas for four more businesses ready to go. You're an innovator not a follower, willing to exploit the knowledge of industry to create new opportunities. You'd rather seek investment or sell than build something for your children to take over. You see problems as opportunities to be solved with creative solutions.

In Relationships

As a Creator, you may be frustrated by other Money Types because they aren't as idealistic, big-picture thinking, decisive risk-takers as you. Someone of a different Money Type who partners with a Creator may be frustrated by their 'head in the clouds' attitude, their inability to explain decisions with data, their susceptibility to new ideas and their distraction by bright, shiny things.

How you relate to a Creator financially is to appeal to their creative, problem-solving abilities, to show them the novelty and originality of the idea and the short-term gains that will be made. Be prepared for Creators to be willing to make quick decisions but to be unmoved by data—find ways for them to get excited about the dream of today as well as tomorrow.

Creators may feel especially frustrated by Workers, who might feel like a handbrake with their regular over-cautiousness; however, if Creators can make Workers feel safe they're a great match as the Worker will work hard to

bring your vision to life.

If you're partnered with a Creator either in business or romantically, you might feel unsafe by how quickly they'll seem to jump in to investments or business ideas. Or you might be frightened by their willingness to bet the house on a big idea. How you'll help them shine is to encourage them to invest but within dollar boundaries that you both agree to. Or conversely, agree to amounts that you don't want to risk so that you feel safe, and let them feel free to go hard with the rest.

Real-Life Examples

If you're a Creator, it doesn't necessarily mean you're artsy; I'm talking about your willingness and ability to originate, inspire, design and manifest. You may not currently be doing this with your finances, but you'll be doing it in other places and the idea of doing it financially makes sense to you. This is all language that many of you feel incredibly comfortable with (you'll know if you're not a Creator Money Type by your rejection of it). You're idealistic, potentially an entrepreneur (or an intrapreneur if you work for a corporate or are within a smaller team) and are willing to take risks and try new things.

Examples of people who I believe are Creators include Jane Lu, CEO of Showpo, Richard Branson, founder of Virgin, Elon Musk, CEO of Tesla, Lisa Messenger, founder of Collective Hub, and Sarah Blakely, founder of Spanx. They're idealistic, problem-solving, innovative risk-takers. Basement examples of Creators might include Bernie Madoff, who is responsible for one of the longest-running Ponzi schemes in the US.

In our example, I'm going to use Lisa Messenger, who I believe is a great example of a Creator.

Lisa is the CEO of The Messenger Group, which launched in 2001, has since published more than 400 books for companies and individuals, and incorporates Messenger Publishing, Messenger Marketing and Collective Hub. She is perhaps best-known for her books, of which she has co-authored more than 26, as well for being the founder and editor-in-chief of Collective Hub, which she describes in LinkedIn as 'a multi-platform entrepreneurial lifestyle destination with a mandate to disrupt, challenge and inspire'. As a result of all this activity, Lisa has become a well-known go-to person for the start-up scene.

Lisa's bio really demonstrates in many ways how she's a Creator, from the prolific number of books she has authored to the number of businesses she has started. Authors aren't necessarily Creators, but if you take a look at Lisa's books, you'll see she falls on the Creator side. Her books are very different in style from usual business books. They're full of images, they're playful, creative and light, and they include daily mantras, mindfulness exercises and more.

Lisa's attitude to publishing is another example of her using the inventive

strength of her Money Type. With publishing, and indeed with all her businesses, Lisa naturally looks to disrupt and find interesting and creative solutions to problems. With her books, she recognised early on that approaching companies and corporates to sponsor or purchase large quantities when she was in the concept or design stage was going to be far more profitable and cashflow positive for her than bookstore sales.

In 2018 Lisa closed the print magazine that formed part of Collective Hub after five years. When asked during an interview with Amy Molloy why she decided to close it, the reason she gave was the epitome of a Creator's attitude. 'What happened—and this is such an important thing—I went from being this juicy, creative, game-changing, thought leader, risk taker, always on the cusp of inventing and moving forward and creating, to having to look after the operational side of a business that was scaling way too quickly.'

One of the things I most appreciate about Lisa is her willingness to talk about money and the numbers, which is something that many of us (and particularly Creator Money Types) are squeamish about. In the interview with Molloy, Lisa's reason for the closure of the Collective Hub print magazine also described a weakness of The Creator Money Type: 'bright, shiny object' syndrome.

The irony is that I've written entire chapters in my previous book about the importance of falling in love with data, and unleashing your inner geek. But in this period of immense growth I let my focus wane. There were so many avenues, side products, and contributors to keep track of. I knew our community was growing—rapidly—and were happier than ever with our product, which was my priority. But I had no idea how we were truly performing financially, or what could be around the next corner. I was focused always on the growth of the brand, our community and the next big picture. I sidestepped some of the detail.

The reason this quote highlights Lisa's Creator Money Type is because Creators are often motivated to create and then move on. When their idea solidifies or even if it turns into something successful, they become restless and want to progress to the next thing. I'm not suggesting that's exactly what happened with Lisa, but how she describes herself above is often a Creator's *modus operandi*.

In the summer of 2019, we had a catastrophic bushfire crisis in Australia and Lisa beautifully displayed the strength of her Creator Money Type to raise funds. She came up with ideas and generated video content through social media. She cast vision around the problem and solution required, called people to action by highlighting where supplies could be dropped, and rallied troops by doing call-outs for food, refrigerated vans, cars, helicopters and more. She was emotional in her pitches, her videos and her content, and

she sought to creatively harness her community to find solutions to the crisis. Creators will be at their best when they're given scope and then encouraged and allowed to creatively react and adapt to problems rather than made to follow the rules or to do what is expected.

Lisa is also a great example of a Creator choosing to invest in asset classes that may not light them up as much and creating an investment buffer. Lisa talked about how she had the capacity to sell personal investment properties when the Collective Hub print magazine was in crisis mode because she had these safer personal assets.

It's when Creator Money Types team up with other Money Types and are allowed to lean completely into their creativity that they can really shine. Examples of Creator Money Types who have done this include jewellery designer Samantha Wills, fashion stylist Rachel Zoe and clothing designer Nicky Zimmermann. In each case, these three especially creative women have consciously teamed up with another Money Type who has taken over the day-to-day running of their businesses. In Samantha's case it was an investor, with Rachel it's her husband, Roger, and with Nicky it's her sister, Simone Zimmermann. In every case the partnership has allowed for the strengths of the partners' very different Money Types to shine and has allowed the Creators to be their creative, artistic, bohemian best. That's not to suggest these Creators abdicated financial responsibility, but rather they hired someone to fill this role and to hold them accountable.

With your personal finances, this could mean doing exactly the same thing as these women have done. It's about finding someone externally who can help fulfil this role for you so that you can lean into the strength of doing what you do best. It might be a strong financial advisor, a book-keeper, making sure you have diversity of Money Types in your teams or asking a peer or a family member to hold this role for you because they're especially strong at systems, processes and other things that you may struggle with day to day.

While you don't need to be an entrepreneur to be a Creator, my suspicion if you're not is that you're possibly acting as an intrapreneur within an organisation—that is, acting entrepreneurially inside the corporation or within a smaller team you work with. If you weren't allowed to, you'd probably want to quickly jump ship. Or you might be entrepreneurial in your investing style in order to feed that side of your Money Type.

Of course, just because you own more than one business or are creative in what you do in your job or in your role doesn't mean you're a Creator Money Type. A lot of people assume that because I've written multiple books and have multiple businesses, I must therefore be entrepreneurial and a Creator. And while I am creative and have an entrepreneurial streak, I do this via my Discerner Money Type. I'll talk more about how I do this in the next section.

THE DISCERNER

Financial Attitude: Think it, learn it

Money Trait in One Word: Intellectual

Money Mantras: I can ideate my way to success

For some Discerners: Education is the key to success

Belief System: My smarts are the key to my success

Strengths: Big picture, logical, insightful, can be intellectual, discerning, able to acquire and apply knowledge

Weaknesses: Judgemental, may rely too heavily on past results, tendency to overthink, may dismiss an idea or investment as being too simplistic or because everyone else is doing it

How You'll Make Money: Thought leadership, investing according to what experts they admire are saying, out-thinking the competition

Under Stress: May be inconsistent, procrastinate and delay decisions unnecessarily by overthinking

Spirit Animal: Fox—sharp, agile-minded

Your Finances

If you're logical and favour reasoning and intelligence, you might identify with the Discerner Money Type.

Financially, you favour carefully reasoned decision-making that makes sense to you as the right course of action. You're all about insights, proof and relying on your intelligence (whether that's street smarts or book smarts) to make financial decisions.

When it comes to finances and investing, you prefer to rely on insights, evidence and thinking it through. You want to intellectually understand the investment, why it's a good idea and what the opportunity cost is. You generally won't make a move until you've understood the risk and return. However, once you do understand it you can use your discernment and adaptability to swiftly find your way around obstacles that other Money Types might be stumped by.

As a Discerner Money Type, you aren't scared of hard work, but you're not interested in working longer and longer hours to build wealth. Instead, you'd prefer to use your time and intellect to find the sharpest and smartest solution to a financial problem. You're typically suspicious and potentially judgemental of concepts such as mindfulness, manifesting or entrepreneurship—they're usually too fluffy a concept for you. However, you're happy to discuss philosophy, psychology or other research techniques and apply these abstract principles to your finances in a more logical, reasoned and researched manner.

You're more likely to invest in an asset because of your admiration for an

analyst's reputation and expertise, and you'll follow that analyst if they move to another fund. Or you might accept a recommendation from a broker you admire for their insight, or an economist's data, or you may go to a property research house if you don't have the time or inclination to research yourself. But you also don't mind combing through data, reading books or attending courses to find out more information so you can make a better-informed decision or to directly invest yourself. You are more likely to see the big picture when others cannot and, despite appreciating research, you don't want to get bogged down in the details in the same way a Worker might.

Like the Worker Money Type, you can also tend to have a 'feast and famine' approach to your finances, but in your case, you'll try to logically justify your spending. For the most part, you are frugal in the day to day, which can help to even this out. You're the Money Type most likely to invest in ideas and education and probably have piles of books you're intending to read. You logically understand your unconscious spending but aren't always motivated to do something about it. Creating systems that are tangible and practical for the financial basics works well for you.

You're more likely to be changeable with your investing style and to borrow habits from other Money Types. For example, while gamification usually works best for Creators, if the investment or your finances can be gamified somewhat, it may pique your intellectual curiosity and keep you motivated more than a spreadsheet, although you're also happy to keep a spreadsheet running to check how you're going. You're not rooted in tradition so you may not feel the need to own your own home or have a traditional type of investment. You invest in what makes sense to you rather than doing something because it's how it has always been done.

A weakness of the Discerner is your judgement—towards yourself and towards others—and your unwillingness to follow the herd (although this last piece can also be a strength if harnessed correctly). The reason it can show as a weakness is because it can lead you to put off financial decisions as well as to reject financial decisions that may be right for you simply because everyone else is doing it. It can also be difficult for you to admit that you're wrong and others are right and to change tack or to accept the status quo. That's because it's important for a Discerner to be respected. When this judgemental lens is directed towards yourself, it can lead to a bingeing and purging spending and saving behaviour where you view money as either good or bad. You can be too willing to put money behind a person or an idea that you believe in, without being critical enough of the downside. You can sometimes use money to numb yourself—you have a tendency to be unemotional and to favour being pragmatic and safe rather than messy. You tend to overthink, leading to paralysis by analysis and being unable to make financial decisions.

As a Discerner Money Type, you might do your own spin on a New Year's goal session—for example, 'my best year yet'—but can't comprehend the

concept of New Year's resolutions that are made just for the sake of it.

If you're in business you're likely to be a thought leader or someone admired for their sharp and adaptable business skills. You'll potentially be strategic, innovative and big-picture thinking, but your weakness in business may be your inconsistency with ideas and execution or your unwillingness to accept the downsides of your ideas. You're more likely to start a business yourself than purchase a franchise, unless it's one you've discovered yourself overseas or that you're an early adopter of. But overall, you may find that the rules-based model of franchising doesn't sit well with your questioning nature.

In Relationships

As a Discerner Money Type, you may be frustrated by other Money Types who try to reason with the argument, 'But that's how it's always been done'. While Discerners need to understand the investment logically, just make sure the data is relevant, well researched and well reasoned. Someone of a different Money Type who partners with a Discerner may be frustrated by what they perceive as a Discerner's changeableness or eccentricity when it comes to finances and unwillingness to follow or believe what everyone else is doing.

How you relate to a Discerner financially is to show them the big picture, to give them a few options with some data and ask for their opinion on what they believe the best path is, or if they can find another. Be prepared for Discerners to buck the status quo and to be blunt with their opinions and reasoning. Find ways for them to seek intellectual or interesting solutions to financial plans through asking provocative questions or even suggesting to them that you don't think it can be done.

In business, a Discerner's strengths can be strategy, the ability to see around corners and even to out-think the competition, but their weakness can be chasing too many ideas. They can come across as prickly if challenged and may be quick to judge or criticise. Engaging them in healthy, vigorous debate rather than arguments and utilising the strengths of their intellect will mean you get the best out of them. Giving them financial boundaries while challenging them intellectually will play to their strengths and limit their basement behaviours.

Real-Life Examples

If you're a Discerner, it doesn't mean you've been to university or are super-intellectual. Instead, you likely rely on your natural intelligence or smarts to make decisions. This might be book smarts, but it might also be street smarts.

Examples of well-known Discerners might be Dr Brené Brown, professor,

lecturer, researcher and author of the bestselling *Daring Greatly*, Tim Ferriss, bestselling author of *The 4-Hour Work Week*, and Jim Collins, researcher, speaker, consultant and author of the bestselling *Good to Great*. All three examples are thought leaders known for their unique way of thinking, and all generate income through it.

I'm an example of someone who is primarily a Discerner Money Type and I've described what that looks like for me below.

I've started or co-founded three businesses (an accounting firm, A&TA; a financial education firm, The Money Barre; and early years and preschool centres, Thinkers.inq). I've written four books (*More Money for Shoes*, *Fabulous but Broke*, *Unf*ck Your Finances* and the one you're reading) and two workbooks; I also write for newspapers and magazines, and speak on radio and television and at corporate events.

You may be comparing me at this stage to Lisa Messenger and wondering why I'm not a Creator Money Type. However, the difference is that my books and businesses are brought about through my ideation strength. I employ ideas through being a thought leader in my industry. Being a thought leader means I'm a trusted source who moves and inspires people with innovative ideas, who turns those ideas into reality, and who knows and shows how to replicate my success. I think about concepts, strategies and sectors differently—and challenge others to do the same. In some ways this is similar to a Creator, but unlike a Creator, a weakness of my Money Type is that while I'm able to come up with plenty of good ideas, I'm not always as strong when it comes to selling them. This means I've had to bring my love of planning, strategy and action to the sales process to ensure I'm not just thinking up good ideas but I'm also making money from them. I've had to teach myself to be commercially smart, not just smart—or street smart, not just book smart, if you like. Sometimes, that has meant finding great people and paying them to do this for me. When I do bring my thinking to marketing my business or my ideas, I'm able to draw from different occupations, businesses, fields and philosophies and adapt them to what I'm doing. I find this process easy and natural.

Another weakness of a Discerner that I'm susceptible to is lacking consistency. That's because, just like a Creator, I'm susceptible to 'bright, shiny object' syndrome—the difference is that I'm distracted by ideas and strategic paths I could follow that might be better than the one I'm currently taking. Personally, I'm like an ideas bower bird and I'm caught up by the possibility of what else we can do. To avoid this, I ensure I have great people in my team who are Workers to ensure there is action around my ideas, I use systems and models to ensure I'm seeing things through, and I try to have a consistent base so I can still play with ideas but still have some permanence. Just because I'm bored with an idea doesn't mean my customers are.

Like my Worker husband, I'm prepared to work hard. But, unlike him, I'd much rather work smart and use my smarts to figure out a quicker way to do

it, a way to charge more or a way for someone else to do the grunt work. I'm happy to work hard in stints but working nine to five doesn't make rational sense to me if I have the ability to get the work done anytime over a seven-day week.

One of my Money Stories, which I talked about in [Chapter 4](#), is about safety and control. How I use my Discerner Money Type to assist with that is to have multiple scenarios and strategies running for my businesses and multiple income streams. When I discovered through research that most millionaires have more than seven different income streams, this motivated me as a problem to solve or a riddle to figure out for my own finances—to both de-risk my future income and protect me from my non-disciplined self. This tendency to run multiple strategies and to want to have plan A as well as backup plans B, C, D, E and F has been incredibly helpful within my businesses. It came in handy when we were having delays with starting a new long-day preschool at Thinkers.inq because it meant we could launch into another income-generating strategy rather than simply panicking because our timelines were delayed.

I apply this same strategic thinking to my investment decisions. I'll often run spreadsheets for my personal investments and my businesses that aren't necessarily super-detailed, but I'll revisit them regularly to make sure my thinking is right. My major investments are in business, then property and finally shares. I own my own home and feel comfortable with this because it's convenient and the tax laws make it worthwhile, so it's a rational rather than an emotional purchase. My most recent purchase is a CBD-based apartment that's also a second home—interestingly, because this was as much an emotional decision as an investment one, it took me almost four years to commit and I found the process incredibly difficult. While I invest in property because it makes sense to have some exposure, I'm more interested in developing business income streams and trading in shares through the share market.

When it comes to investing, I'm influenced by the thinking of smart people I respect. For example, I respect Olivia Engel's methodology at State Street Global Advisors and follow economists I admire on Twitter and through investment briefings. While I already believe in the logic of passive investing, the fact that Warren Buffett, whom I admire as an incredibly smart investor, said that when he passed away his estate should sell his fund and invest in a passive index fund (he's specifically nominated the S&P500), means I feel validated in my thinking. However, personally I invest in and trade shares directly because I believe I can beat the index.

I'm not an idealist and I can be very judgemental—of myself as much as of anyone else. But I'm comfortable in my own ideas and plans and I'm willing to back myself financially when I feel they're right.

I can be erratic in my spending, saving and investing due to my lack of consistency (a Discerner weakness mentioned above). I find having strong

boundaries, not having my savings readily accessible in cash, maintaining one allocated spending bank account and creating logical rules around my spending and saving help to maintain some discipline and consistency. Some of these spending rules involve choosing everyday frugality, which means when I blow out it's not going to hurt too much. I'm also especially logical and practical when I purchase everyday things—for example, I used to eat one and a half slices of toast in the morning, which would irritate my flatmates who couldn't understand why I didn't eat two slices or throw the half-slice out. But I only wanted one and a half slices and to throw the half away felt like throwing money away to me when I was happy to eat the half the following day. I'd also rather walk 30 minutes to the fish market and order eight prawns (seven prawns for my wrap and a spare in case one is off) than overspend at the expensive department store food court nearby. That way I achieve incidental movement during the day and save money. Tony as a Worker admires and understands walking to save money but laughs at me when I order my strategically quantifiable eight prawns.

In my businesses I also create strong boundaries through running strong systems, processes, key metrics, agendas and business models so that I can chase ideas without being tripped up by the basics. This also gives my people certainty despite my changeable nature.

At Thinkers.inq, I'm in a close business relationship with Rod Soper who is primarily a Relator Money Type with a good dose of Discerner. When we first started, I knew that Rod hadn't been in business before, and how I naturally want to help people is to assist them to gain knowledge. I gave him books to read, including Jim Collins' Good to Great, early in our partnership and have taken him to hear experts speak so that he can upskill. That's because I believe learning and knowledge are the best ways to give you business skills. Personally, I've read a ridiculous number of business books, have done most of an MBA and have attended a ton of business conferences because intellectually I need to understand business and my weakness is presuming everyone is like me. Thankfully, due to Rod's Discerner bent, he enjoys these experiences too. What I've come to understand, however, is his Relator Money Type means he enjoys the connection with me that is created out of shared experiences and shared knowledge as much as he enjoys learning.

THE RELATOR

Financial Attitude: Accumulate it, build it, collaborate

Money Trait in One Word: Collaborative

Money Mantras: Success through connection. You take care of the people you love

Belief System: I am worthy because of how I care for you

Strengths: Interpersonal skills, connected and good connector,

team-player, developer, understanding, compassionate, resourceful

Weaknesses: Tendency to put self last, can be gullible, may fall into role of rescuer to their financial detriment, may react emotionally to investments, inability to accept help themselves

How You'll Make Money: Connections, experience and relationships, patience in building for the long term, stable and safe investments

Under Stress: May seek safety in safer and safer investments, may abdicate from or avoid responsibility for financial decision-making

Spirit Animal: Dolphin—social, seeks to help others

Your Finances

If you place a strong emphasis or value on relationships or nurturing, you may identify with the Relator.

Financially, you're inclined to learn through experiences rather than relying on data or experts (unless you have a relationship with an expert and trust them). You're driven to care for others, which can sometimes lead you to make financial decisions that aren't necessarily right for you because of your nurturing and rescuing nature.

When it comes to finances and investing, you're more likely to rely on your connections, relationships and own experience than on data and insights. You may prefer stable investments that you trust as you prefer to build and grow over the long term for the benefit of your family or group. You're motivated by the opportunity to provide, give back, rescue or build for others rather than yourself.

As a Relator Money Type, you aren't scared of hard work, but it's important to you that it's not to the detriment of your relationships and current experiences. Instead you'd rather use your connections and relationships to find the best solution, investment or experience. You are typically emotional and can be overly cautious, but you can also be creative, curious and happy to learn with others.

You're more likely to invest in an asset that you're connected to or that feels right rather than one supported by reams of data. That's not to say you're not logical—you just tend to go with your gut more than your head. You're more likely to invest in asset classes that you know and trust and are unlikely to want to bet the house. If you have a mortgage, you may be predisposed to pay it down before you do any other type of investing and you're probably motivated to leave something for the next generation.

Despite having an aversion to debt, some young Relators might not handle

credit well and be overspending on credit cards or ‘buy now pay later’ platforms because they want to experience and enjoy today with their loved ones without paying too much mind to financial consequences. Creators and Relators are the Money Types that are most at risk of overspending to enjoy now and of not building enough assets for themselves. Relators are likely to overspend on experiences with others or for others, whereas Creators are most likely to spend on luxury or self-understanding items and experiences.

As a Relator, you’re more likely to have a stable and consistent investment style, preferring a long-term ‘set and forget’ approach—for example, choosing an investment fund or setting up a monthly contribution and then not necessarily thinking about it or regularly checking in on it again.

Both Relators and Creators are the most likely to be taken in by a scheme, Creators because they’re at risk of being seduced by get-rich-quick schemes, but Relators because they’re too trusting in general and may be taken advantage of. As a Relator, often one of your strengths is bringing out the best in others. However, your weakness is that you can spend all you have on others (both emotionally and financially) and have nothing left for yourself. The concept of not wanting to be a burden can ironically weigh heavily on you, despite having no problem with others relying on you.

You make financial New Year’s resolutions to be social, but you’ll forget about them the next day, unless a friend coaxes you to join in their goal with them. In this case, you’ll likely feel obligated to commit to the resolution and do it with them, even if you didn’t mean it at the time or it’s not necessarily the right thing for you. If you can create an emotional connection to a goal then you can be excited about it, but you’re the least likely to be motivated purely by a financial reward that only benefits you.

As a Relator you have a tendency to financially rescue others without putting on your own financial oxygen mask first, which means you end up depleted. Some of you believe it’s selfish to look after yourself when there are others in need and struggle with meeting your own financial needs. This generosity can be your financial undoing. You can be too willing to financially trust someone you’re in relationship with, making you the most susceptible to sexually transmitted debt. You will often want to financially help or rescue the person you’re in relationship with and will overlook any financial red flags.

If you’re in business, your strengths will likely be your connections, network and relationships, plus your ability to collaborate. You’ll work best as a co-founder so that you can join forces and build with others, but if you’re solo, you’ll prefer working from a co-working space or in collaboration with other business owners in your industry or network.

In Relationships

As a Relator Money Type, you may be frustrated by other Money Types who

head straight to data and intellect and aren't willing to consider the human component of investing. Someone of a different Money Type should know that, while Relators are hardworking and logical, they're similar to Creators in that you'll lose them if you try to bury them in data. Someone who partners with a Relator may be frustrated by their conservativeness and their willingness to risk their own financial security because of their need to rescue others.

The way to connect with a Relator is to talk about experiences, to make socialisation a central part of your interactions when you're engaging with them about finances and to engage their resourcefulness, connectedness and patience. Make it a social endeavour, or find a way to give back through what you're doing or how you're spending or investing. Make sure you're covering the present day but also show how you'll offer stability for them and their loved ones in the future. Understand that Relators will often want to protect their environment for those they love today but are also willing to patiently build for the long term.

In business a Relator's strength is their ability to create community, to build connection, to work in teams, to listen and to empathise. They will probably find selling uncomfortable but if you harness and reframe their desire to rescue and help others, they can be your best sales advocates because they're so motivated to help and improve the circumstances of others. You may need to ensure that while you have mechanisms to give back, they still understand the business needs to make a profit and to find a way to balance the social purpose with profit so that they don't sabotage and give it all away.

Real-life Examples

If Workers are pragmatists, Creators are idealists and Discerners are intellectuals, then Relators are the connectors. That's not to say they're not practical, but they rely on their connections, experience and instinct.

They're likely to be nurses, social workers, paramedics, teachers, personal assistants or in customer service—namely, professions that require nurturing, protecting or improving the position of others. If they're in sales-related positions, they rely on empathy and making a personal connection. Often, they're the loyal friend or family member who will always show up, sometimes to their own detriment.

Examples of well-known Relators are Oprah Winfrey, Jessica Alba, who started ethical consumer goods business The Honest Company, and Elizabeth Gilbert, author of *Eat, Pray, Love*. I'm convinced because of how Elizabeth connects to her community that she's more a Relator than a Creator, but I suspect she's a good dose of both. Simply the fact that she starts her posts with 'Dear Ones' shows me she's leading with connection.

When Relators utilise their natural tendency to connect and collaborate,

they can be incredibly powerful operators in business and workplaces. They're more likely to pool funds than go alone and enjoy sharing the spoils as much as the experience of investing together. As Relators aren't necessarily motivated by financial gain, investing with others so that it's social and everyone gains is one way they can be motivated to invest well, put on their own oxygen mask and help others. Investing into something that is ethical or gives back in some way will motivate a Relator to take action because it's also giving to others.

An example of someone who, while a hybrid Money Type, often leads with their Relator Money Type strength is my co-founder at Thinkers.inq, Rod Soper.

Rod is a natural leader and educator and operates very much in a Relator manner. His approach to leadership and education is in the servant-leader style, which is a set of practices and philosophy that is about enriching the lives of individuals, building better organisations and creating a more just and caring world. I believe part of Rod's bio on the Thinkers.inq website captures this Relator style of thinking.

Rod is passionate about learning in all its forms and aims to provide optimum opportunities for all learners to realise their full potential. Through his work, he aims to build a network of transformational educators and leaders by facilitating change through personal growth, creative, critical and reflective thinking and innovative practice.

Co-founding Thinkers.inq was one way Rod has demonstrated his commitment and vision to foster a community of creative and inquiring minds, whether that be teachers, families and children, that can go forward into the world with confidence, open-mindedness and passionate curiosity.

Rod is all about creating community, strengthening networks and providing opportunities, things Relators are often naturally motivated by. Rod is driven to help others more than he is to help himself. He's a natural connector who often leads as much with emotions as with intellect when making financial decisions. He's also incredibly empathetic and can be at financial risk of defaulting to rescue mode both in business and in his personal relationships.

As a Discerner, I have developed an intellectual appreciation for collaboration and I try to ensure that I incorporate this into my businesses as an effective strategy. But personally, it's always something I need to remember and requires effort. For Rod, it's as obvious a solution as breathing. Rod has collaborated with not just co-workers but also suppliers, clients and people he's had a conversation with at a conference. He doesn't just follow up with an email or catch up over coffee but goes out semi-regularly for dinner and drinks, sometimes even weekends away, with those contacts he's connected with. Sometimes that's the essence of a strength: we

often don't even realise that something that feels as natural as breathing to us is hard work or unnatural for someone else. These collaborations and connections almost always lead to direct income-earning opportunities for Rod or to people who can work with and help us fulfil our vision at Thinkers.inq. With his lesser Discerner Money Type, Rod understands the importance of multiple income streams and he has developed these to date via collaboration, through consulting opportunities and through another business, Personhood 360, which he has started with one of his friends who is an expert in artificial intelligence.

It has been valuable being in business with someone who has Relator Money Type strengths. That's because as a Discerner I enjoy the intellectual side of business and not the emotional. Recently, I sold my accounting business and part of the reason was the energy it took to manage people. At Thinkers.inq, this is a role handled beautifully and naturally by Rod through his strengths as a Relator Money Type. He doesn't shy away from difficult conversations, and is incredibly empathetic but still firm with our team, parents and learners.

The important thing when in a relationship with another Money Type is having patience and figuring out how to play to each other's strengths. Rod, being a Relator Money Type, needs to talk ideas through, to dissect and to relate to that new knowledge. I've learned to make sure we have the time and space to do this rather than thinking we simply need to tick things off a list when we meet. I have also come to understand that while I simply need to be rationally okay with a decision, Rod needs to be emotionally okay with it. That has led me to give him not only the usual numbers and metrics I would use with any business owner but additional numbers and metrics that help with this emotional connection. Often these metrics include at least one that I know will give him the confidence that he can support himself, his partner and his family in the long term, such as the value of the business.

Rod also has managed the judgemental and critical aspects of my Money Type beautifully by putting in place early on a rule that we couldn't say no to each other. We could say, 'What about ...' or find a better solution or build upon an idea, but we couldn't instantly write off an idea. That meant he was harnessing the intellect strength of my Discerner Money Type as well as creating great boundaries for us to work harmoniously together. It's a technique we still employ to this day.

As a Discerner who has seen the positive effect of these idea-generating sessions with Rod, I've now adopted this process of connection, idea-sharing and generating purposefully and strategically in my other businesses. It's an example of the 'ideas bower bird' nature of the Discerner Money Type.

Another example of someone who favours their Relator Money Type is Janine Garner, founder of the LBDGroup and author of the books *From Me to We*, *It's Who You Know* and *Be Brilliant*.

In business, Janine is a natural collaborator and connector. Her books are

all about networking and connection and it's a strength she innately leads with. She is someone who will almost unconsciously collaborate in business with others, which she does when she runs her corporate programs with other businesswomen and thought leaders. Janine regularly introduces people to each other when she thinks they could both benefit financially, personally or in business. She also strategically surrounds herself with a network of people who will push her, encourage her and support her and has devised a framework that others can use to do the same. Her business, which she has since sold, was about creating environments where women in business could connect and support one another. For Janine, that concept is simply what we should all be doing and it's why, again, this is her Money Type strength.

A final example of a Relator is a friend I'll call Steve. Steve is an incredibly kind, occasionally gruff, self-employed tradesman who has frustrated his Worker wife, Karen, in the past with his willingness to help anyone who needs it during the work week rather than prioritise building his business. That's because if someone needs a hand, Steve can't help but say yes. And he says yes on a regular basis. He's an active member of his local community, which includes being on the board of Rotary, and is the first to put up his hands to volunteer his time and money. His wife jokes that if she wasn't married to him and in charge of the finances, he'd sell his house and give that money away too—he's so intrinsically motivated to help others. Steve is most frustrated when others aren't willing to spend the same amount of time and effort giving back. He can't understand why everyone wouldn't do the same. Interestingly (and perhaps unsurprisingly), this community-minded approach and willingness to help has also helped him attract and retain customers.

But Steve has also identified that he is happy with the income and size of his small business, which he and his wife jokingly refer to as his 'lifestyle business'. This allows Steve to bring in the income the household needs but also gives him the space and time to give back. His wife, who is very strong and determined financially, ensures as a couple they're building assets, paying off debts and frugal with everyday spending, and this partnership works incredibly well for them.

MONEY TYPES AT A GLANCE

The table over the following pages is a cheat sheet to help you understand the differences between the four Money Types. I've used a mix of serious and playful to explain the distinctions between the Money Types so that depending on how you process things you can compare, contrast and understand the various traits and types.

Money

Types

Characteristics	The Worker	The Creator	The Discerner	The Relator
Financial Attitude	Earn it, do it	Imagine it, create it, manifest it, visualise it	Think it, learn it, ideate it	Accumulate it, build it, collaborate on it
Money Mantra	Hard work gets you everywhere Slow and steady wins the race	If I can dream it, I can do it I manifest my own success	I can ideate my way to success For some Discerners: Education is the key to success	Success through connection You take care of the people you love
Belief System	I am worthy because of how hard I work and how much I do	I am able to create what I want	My smarts are the key to my success	I am worthy because of how I care for you
Money Trait in One Word	Pragmatic	Idealistic	Intellectual	Collaborative
Strengths	Hardworking, consistent, loyal, fact-driven, comfortable building over the long term, rule-follower	Open-minded, logical, flexible, decisive, adaptable, optimistic, problem-solver, risk-taker	Big picture, values insight & intellect, discerning, able to acquire and apply knowledge	Interpersonal skills, connected and good connector, team-player, developer, understanding, compassionate, resourceful
Weaknesses	Rigid, overly cautious, can be prone to burnout from long hours or overworking, may ignore own ideals to get the job done	Denial, rushing into decisions, susceptible to get-rich-quick schemes, may dislike dealing with data, may base decisions purely on emotion	Judgemental, may rely too heavily on past results, tendency to overthink, may dismiss an idea or investment as being too simplistic or because	Tendency to put self last, can be gullible, may fall into role of rescuer to their financial detriment, may react emotionally to investments,

everyone else is doing it inability to accept help themselves

Thought leadership, investing according to what experts they admire are saying, out-thinking the competition

Connections, experience and relationships, patience in building for the long term, stable and safe investments

How You'll Make Money

Personal exertion, building savings, property

Entrepreneurs thought originality, manifesting, dreaming up new ways of doing business and investing, searching for and implementing new ideas

Under Stress

May suffer paralysis by analysis, can be unwilling to part with large cash buffers, may work until they drop

May be tempted to overspend, make decisions quickly without data and fall into default thinking

May be inconsistent, procrastinate and delay decisions unnecessarily by overthinking

May seek safety in safer and safer investments, may abdicate from or avoid responsibility for financial decision-making

If I Were a Business It Would Be

Ford, South by Southwest

Maserati, Apple

McKinsey, Boston Consulting Group

Thankyou Water, Stella McCartney

Element Spirit Animal

Earth Ox—industrious, persistent, seldom fears hardships or difficulties

Fire Monkey—crafty opportunist with many interests who often needs stimulation

Air Fox—creative, loyal, sharp, agile-minded

Water Dolphin—social, playful, seeks harmony, kindness, at their best helping others achieve their goals

Country that Best Represents Your

America—we built it with our bare hands

Italy—we created it and it looks good

England—we educated it, designed it and are

China—we believe family is the central institution

HYBRID MONEY TYPES: PRIMARY AND SECONDARY

Hopefully, by now you're starting to realise there are different ways that people can naturally interact with and think about money. You may even start to see yourself in one or two of the different Money Types.

Ideally, you're realising that it's not as simple as financially identifying people as spenders or savers, and you've recognised that life is a little more complicated. That brings us to hybrid Money Types.

One of the reasons I'm not a huge fan of personality testing is because I don't think humans fit perfectly into boxes (no matter how much the obsessive-compulsive tendency in me would love that). The truth is we're far more complex than that. It's why I've recognised most of us won't identify with only one Money Type. Instead, we're a combination of Money Types: usually one dominant and others lesser, which we'll call here your primary and secondary Money Types.

To help explain this concept of primary and secondary types, let's look at the Gallup Clifton Strengths model, which was developed by Dan Clifton, the researcher who designed the speed-reading study from [Chapter 8](#). When Gallup determine your combination of 34 strengths, they don't suggest you have one dominant strength to rule them all (sorry—couldn't help myself). Instead, of the 34 strengths they've identified, they talk about your top 5, your dominant strengths (usually your top 12) and your lesser strengths (usually your bottom 12).

Within the 34 strengths, there are four distinct domains of strength: Strategic Thinking, Relationship Building, Influencing and Executing. Each theme provides a way to describe what you naturally do best or which areas you might need help from others. Gallup don't suggest that all your strengths will be found in one theme. Or that all your 5 most dominant strengths will be found in one theme. It's highly unusual to only be Strategic Thinking, only Relationship Building, only Influencing or only Execution. In fact, because there are fewer than 12 strengths within each theme, it's almost impossible for your dominant strengths to comprise only one of the four themes.

That's why when Gallup researched strengths, they discovered almost all of us have dominant themes and lesser themes. According to Gallup, 'Your dominant themes ... are packed with the most potential. These are the talents that give you power—the ones that separate you from the crowd. Your dominant themes are those you lead with. No matter what the situation, they filter your world, forcing you to behave in certain recurring ways.'

It's the same with your Money Types. Your dominant, or primary, Money

Type carries the most financial potential and has the ability to be your superpower. However, your dominant traits, if misused or misapplied, can also hinder your effectiveness and even turn into a weakness. For example, a Discerner's ability to make sense of information might be their strength, but if they start to over analyse and are paralysed as a result then this strength has become their weakness. Understanding how to proactively use the strengths of your Money Type is the key to achieving your financial potential.

Your lesser, or secondary, Money Type might explain those strengths or traits that occasionally occur in your financial behaviours and thoughts. You might use these types in connection with your primary Money Type, or perhaps they only appear in times of stress. What's important is to know you have them to some degree and that they not impede your financial growth.

When I completed my Gallup Clifton Strengths assessment, my dominant set of strengths or theme was Strategic Thinking. Strategic Thinking helps you absorb and analyse information that informs better decisions. According to Gallup, the theme 'describes more than just having a plan. People especially talented in this theme consider the world through a series of contingencies, contemplating quickly and constantly about the "what if" scenarios of a day, an event, an interaction, or a lifetime'.

If you think this Strategic Thinking theme description sounds like it could fit within The Discerner Money Type's list of strengths, you're right. If you remember, the ability to think strategically is one of my financial strengths within my Discerner Money Type. My point is that your strengths and weaknesses shouldn't be a surprise to you and may have already been uncovered by other tests that should complement what you discover about your Money Type.

My secondary Money Type is the Worker. When I am stressed or feeling unsafe, I find myself leaning towards my Worker tendencies, and will work from dusk to dawn seven days a week. It makes me feel better, safe, in control and like I'm accomplishing something. When I'm given space and time, I love nothing more than relying on my Discerner Money Type of thinking, being strategic and planning; however, again, in times of stress I can find myself overthinking and needing to create more and more detailed scenarios that I have no hope of carrying out. It's a case of paralysis by analysis so I simply put my head down, lean into my Worker Money Type and work. Interestingly, I'm in flow and at my best financially when I've engaged my strategic, discerning, thought leadership strengths (Discerner) and I'm using my ability to build, work hard and see something through over the long term (Worker). I'm utilising the best of both my primary and secondary Money Types.

If you can see yourself in a couple of different Money Types, chances are it's because you're a combination as well.

As you answer the questions in the next chapter's worksheet recap, make

sure you think about and answer for your primary and secondary Money Types. Include how the combination works for you and how it works against you. That way, you can identify when you're being pulled into negative habits by your Money Types and, just as importantly, how you can actively use them to positively affect your finances.

You might be like me and recognise that you allow your weaker Money Type to take over in times of stress, in ways that don't always serve you. Or maybe your strengths and weaknesses might show up in other ways.

If you can't figure it out, perhaps ask a good friend, your partner or someone else that knows you well. Because, if you remember, we're not always great at recognising money traits in ourselves (particularly strengths) and sometimes it's helpful to recruit those who know us well to help.

I have to confess to a slight (okay, more than slight) comic-book superhero film addiction. When my husband and I married, I explained to him that we are a Marvel family and everything that entails. One of the things I enjoy most in these films isn't when the action heroes work in isolation, but when they come together, such as in the Avengers series. If you think of your hybrid Money Type strengths and weaknesses as characters in an Avengers movie, you might be able to see how your different strengths can work together or against one another. You might see how they help you move towards your financial goals or where they may cause friction with other Money Types.

Or, if I just lost you with my superhero reference, perhaps think of your Money Types in terms of sporting teams, where players with different strengths complement one another for the bigger team goal of winning the game. Or you might think of how business owners relate together, or teams in companies, or whatever analogy works best for you.

Of course, thinking about hybrids is also helpful when we're thinking about relationships, because not many of us are living alone on an island. Even if we're not in romantic relationships we're still navigating peer relationships where we might find we're relating financially to people in either business or social situations. Or we might be in a situation where friends or family members are exerting their financial influence on us. Understanding hybrid strengths can help you realise how strengths relate to one another, which can be incredibly useful as you seek to understand how you respond and react to different Money Types in your life.

You'll remember that earlier in the chapter I included for each Money Type a relationship section. I encourage you to be curious about that and talk to your partner, family and peers about it, and to learn how you affect each other's financial environment. It's even more beneficial to have them identify their own Money Stories and Money Type/s and to complete the worksheet recaps. This will help you discover ways to support and strengthen each other, but just as importantly, it will help to limit your ability to inadvertently weaken and sabotage each other.

Of course, understanding how you innately behave and the stories and environment that have shaped you is only part of what we want here. Once you've worked through the following chapter, we're going to dive deeply into the practical and start to figure out what financial habits are right for you. That's how you'll throw out budgets forever—by creating a suite of habits, or a financial toolkit, that is custom-made for you.

MONEY TYPES WORKSHEET RECAP

Over the next few chapters, we're going to dive further into Money Types through discovering practical habits that will work for you. However, for now, it's worth pausing to recognise the strengths and weaknesses of these different Money Types that make up how we behave.

I've explained in earlier chapters that I don't want this book to be a cute thing you read and discover but aren't changed by. Instead, I'm all about financial awareness that leads to you fulfilling your financial potential—and that requires action by you.

So, grab a piece of paper and write down the headings below, leaving space in between each one. (You can also head to the 'Musings' section at melissabrowne.com.au and click on 'Your Financial Phenotype Resources' to download this worksheet.)

My Primary Money Type:

My Secondary Money Type (if applicable):

My Money Mantra/s:

My Money Strengths:

My Money Weaknesses:

Fill out as much of your worksheet as you can. Remember that you might have a primary and secondary Money Type, so make sure you acknowledge both as you work your way through.

Next, write down and answer the following questions:

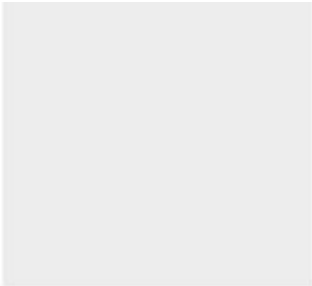
- How are the strengths of my Money Type serving me?
- How can I amplify my strengths so that I can reap even more of a benefit?
- How are the weaknesses of my Money Type sabotaging me?
- How can I minimise the weaknesses I'm displaying in my Money Type?

Now, if you want to make it interesting and the results potentially longer-

lasting, have your partner and friends read through the relevant sections and complete the worksheet too. Once we begin to understand how each of us functions, we can relate to each other financially in a way that isn't full of judgement and blame. Instead, we can approach our finances together with curiosity and interest as we seek to understand each other.

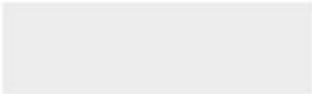
By discovering and learning the strengths and weaknesses in each other's Money Types we can start to financially support one another in a new and deeper way.

Once you've completed the answers to the questions above, it's time to dive into the deeply practical and to discover the financial habits that are right for you.



PART THREE

Financial Phenotype in Action



It is our choices . . . that show what we
truly are, far more than our abilities.

J.K. Rowling

MONEY HABITS AND SYSTEMS

So far we've looked at your Money Story and Money Environment, which tell us about the nurture component of your unique Financial Phenotype, and your Money Type, or the nature component. Hopefully, you've started to understand and recognise your own Financial Phenotype through answering the questions in the recap chapters at the end of Parts One and Two.

But as you know by now, I don't want this to simply be a cute concept or a fun thing to do. Sure, it's interesting to learn new theories and to play around with personality tests to understand who we are. Our ego and sense of self love that. But how does that help us financially in our day-to-day lives?

What happens on a Sunday night, when the stress of the week you're about to start kicks in, you haven't had a chance to prepare food for the week and everything in you wants to scream, 'F*ck it! I'm just going to buy takeaway for every meal this week as well as purchasing something pretty online.' What happens when you're disillusioned with your job or your life and you decide that you need to buy something to feel better, so you spend more than you can afford? What happens when the fear of global catastrophes, what is happening politically and global unrest cause you to hoard any resources you might have and to press pause financially because you're scared to take action? (You can insert whatever your own version of stress-induced spending, or non-spending, looks like.)

How does understanding your Financial Phenotype help then?

The reason we've spent so much time unpacking the elements that make up your Financial Phenotype in this book is that true behaviour change begins with identity change. As habits expert James Clear explains in his book, *Atomic Habits*, 'You might start a habit because of motivation, but the only reason you'll stick with one is that it becomes part of your identity ... Improvements are only temporary until they become part of who you are'—and how you see yourself. Up until now, your goal might have been to learn about how to manage your finances better. If you change your motivation to be rooted in changing your identity, the goal is no longer to learn about

financial literacy, but to be someone who is financially independent, someone who has the choice to work or not, someone who is financially confident (or whatever your own end goal is).

In other words, Clear suggests that the creation of this new identity requires new evidence, which we can gain by using his two-step process:

1. Decide the type of person you want to be.
2. Prove it to yourself with small wins.

We've already done some of the work for the first step through the many questions you've been asking yourself in the previous chapters, as we discovered your Money Story, your Money Environment and your Money Type, so that we could identify your unique Financial Phenotype.

How you're going to succeed with the second part—those small wins—is to identify great financial habits you can adopt that support your Financial Phenotype.

The truth of my own personal financial and business success is not that I am smarter or savvier than anyone else. Absolutely not! Instead, I took the time to understand who I am and why I behave the way I do, and was relentless in implementing a series of small, compounding habits, actions and strategies to support my Financial Phenotype. These habits allowed me to play to my strengths and to keep my weaknesses from having any significant impact on my finances.

Here, I want to help you do the same. Remember our conversation in [Chapter 8](#) on financial rip-currents? These habits or systems of behaviour are ones that will work for you (not against you) and help pull you where you want to go.

In the next chapter we'll unpack some great habits for your individual Money Type/s and Money Stories. But first, let's begin with some basic financial habits that work for everyone. Finance 101, if you will. And yes, we're starting with the basics even after I've just banged on about developing habits and systems unique to you.

Why start here? If you remember from [Chapter 3](#), the research about basic financial literacy shows that across the globe we're either failing or flailing with even the simplest money concepts. So, I'm not going to presume that you have a great base of financial knowledge and habits to draw from. Instead, we're going to start with the simplest of financial habits that can apply to any Money Type or Money Story, which you know by now doesn't mean I'm talking about budgets; instead, I'm talking about goal-setting, bank accounts and automation.

Seth Godin, bestselling author and New York marketing guru, put it best when he said:

It's tempting to believe that left to our own devices, we'll all maximize our health, make smart investment decisions and generally follow our

instincts on the road to happiness.

But it turns out that cigarettes are addictive, that financial distress causes people to make short-term decisions that are damaging, and that we even have trouble doing smart and easy things with a 401(k).

As we discovered from the research into self-control, most of us don't have the willpower to stop ourselves overspending. Or we tend to raise our spending to match our new salary every time we receive a pay rise. A few of us might even be hoarding our money and not spending at all because we're scared to touch our pot of savings—this might seem better than overspending, but it means we're not enjoying our lives in the moment, and during times of low interest rates and low wage growth this approach can be financially disastrous. That's where a basic financial system of goal-setting, bank accounts and automation can be helpful.

Remember at the start of this book when I described my compulsion for chocolate? If you pop a block of chocolate in front of me, I promise you I'll eat the lot. If you pop two chocolate squares down and hide the rest, you know I'm still going to eat the lot. But at least in this case 'the lot' is only two squares, not an entire block of chocolate. That's because the amount provided to me has been regulated. My self-control remains the same, but my environment has been changed because of the habit I've implemented which minimises what is consumed.

Setting up a basic financial system is the first step in helping you establish self-control by regulating your environment through the financial habits you implement. It includes multiple bank accounts and automatically transferring payments into different accounts with rules that guide how those payments are to be spent. It's a financial version of 'out of sight and out of mind' and it means you're financially hiding the whole block of chocolate while giving yourself two squares for now. Plus, it gives you permission to enjoy what's in front of you without guilt, knowing you're effectively exercising great self-control through the plan you have in place and the financial environment you've created.

Before we go too much further, though, we need to briefly talk about goals. Now, depending on your Money Type and Money Story, you might be tempted to skip past here. Workers might be tempted to jump straight to action because they want to start doing something. Those who have a Money Story that says they won't amount to much or that they are not enough might be tempted to skip because they don't believe that any goal they'll set is capable of being realised. For both, it's important to honour and acknowledge that thinking but to actively reject it.

Here's the reason why you shouldn't skip past goal-setting, regardless of your Money Story or Type. The question I'm most commonly asked is: 'How much should I save?' Some experts might tell you that amount should be 20 per cent of your income. Why? Who knows. I'm sure it's based on economic

theory, average wages and so on, but for so many people it's wrong. The real answer should be: 'It depends'. It depends on how old you are, what you're saving for, whether you're still living at home with parents and not paying rent, what your lifestyle goals are, when you want to stop working, whether you're paying for dependants and so much more. Your goals will be as unique as your Financial Phenotype, and they should be. They shouldn't be your parents', peers' or society's goals—they should be exclusively yours.

That's why it's important to at least do the following basic goals and planning work, so you know what you're spending and saving for. (If you want more information, I've covered this entire process in more detail in my book *Unf*ck Your Finances*.)

1. GOALS

The first step is to work out your goals. Think about the next three or five years of your life. If you could summon your future self and ask them what your life was like, what would they tell you? Or rather, what would you like them to tell you? Remember we need to live in the real world (no lotto wins!) but think about what you'd genuinely love your life to look like. Be as specific as you possibly can. Write what you'd tell yourself or, if you're not a writer, draw it, mind-map it, video it. Use whatever medium works for you.

If your inner critic pipes up and tells you this isn't realistic, tell them to pipe down! If you're worried that what you're dreaming up won't necessarily be accepted by your peers or your friends, who cares? This isn't about them; it's about you.

Examples of the life you're designing might include travel, business, corporate success, family success, giving your kids the educational opportunities you had (or didn't have), after-tax income of \$75,000 per year, buying a house, owning a number of investment properties, being child-free, being the first in your family to complete a degree, receiving a passive income of \$25,000 per year, retiring at age 55 and earning \$50,000 a year, adopting, fostering, having no debt, making a sea change or a tree change, earning your income in such a way that you could live anywhere in the world, building enough assets that in ten years' time you could drop to part-time work for as long as you want, taking a three-month sabbatical, heading off on a cruise in retirement once a year, rebuilding from a relationship breakdown, owning investments worth \$1 million or starting a not-for-profit.

The important thing is that your goals are tangible, and they excite you. If not, throw them out and start again.

2. PLANS

Once you know what you'd like your life to look like in the next three to five

years, it's time for step two: planning for the next twelve months. Looking at the path you're on, thinking about whether it's right for you and dreaming about a new path can be fun and even exhilarating. The important stage comes next. It involves figuring out the steps you need to take over the next twelve months to start creating that path you want to walk down, or to move closer to the life you want to design. That's because if you're drowning in credit card debt and the life you want to design involves buying a home, you need to do something about that debt. Pronto. If you're earning \$50,000 a year with no assets to speak of and you want to retire in ten years' time, then you need to get moving and start thinking about saving a large chunk of your income, or perhaps adding another income stream or, depending on your age, potentially boosting your superannuation to get you there faster.

Working out a plan is all about the next twelve months. Take a look at your goals from step one and write down the financial challenges you need to set for yourself and complete over the next twelve months in order to take you further down the path towards achieving those goals. For example, if your goal means you need \$10,000 in twelve months' time, that means you need to save \$200 per week. If your goal means no credit card debt and your current debt is \$5000, that means you may need to cut up your card and pay a minimum of \$115 per week towards that debt (allowing for interest). If your goal is to save 60 per cent of your income for the next twelve months because you want to reach your goal of having the freedom to work from anywhere you choose faster, you might need to move into a shared house with friends, move to a cheaper suburb or, if it's available and relevant, to move back home with your parents and make decisions around your spending choices.

3. BANK ACCOUNTS

Once you've figured out your goals and have developed some plans around what you want to be spending money on and saving money for over the next twelve months, it's time to figure out what bank accounts you should set up.

I believe the bank accounts you should consider holding at a minimum are a bills account, a savings account and an everyday account. (I call these accounts the 'basics'.) If you have a mortgage, your savings account would be in an offset account attached to your mortgage. If you don't have a mortgage, you want bank accounts with low fees and high interest, such as an online high interest savings account, remembering that in times of low interest rates, a 'high' interest rate might be less than 2 per cent.

Other accounts you might want to consider are a splurge/holiday/ fun account, a buffer (or 'oh f*ck') account and a joint account. The number of bank accounts and even types of bank accounts will often depend on your Money Type and Money Story. I've given examples of the bank accounts each Money Type might want to consider in the next chapter, where I break up

habits by type.

Once you know which bank accounts you need to set up, the next step involves working out how much to transfer to each one. The amounts will depend on your long-term goals from step one and your twelve-month plan from step two. Let's look at those accounts in more detail, including how to work out what each should be used for.

Bills Account: The amount you regularly transfer to your bills account should be fairly easy to figure out. This will include your mortgage/rent, electricity, gas, phone, internet, school fees, car registration and insurances. It's a good idea to list the different types of bills you are going to pay from this account so it's clear in your mind and you ensure you won't miss any.

Once you've worked out what bills to include in your bills account, you'll need to calculate how much to transfer to this account each pay cycle to cover them. If you're paid fortnightly, you can work out the annual amount of each bill and then divide this annual amount by 26 to reach the fortnightly amount. For example, if you pay electricity monthly and your average bill is \$600, to figure out the fortnightly amount you would first work out the annual amount: $\$600 \times 12 = \7200 . And then work out the fortnightly amount: $\$7200 \div 26 = \276.93 . Continue doing this until you have the fortnightly amount for each bill, then add them all up to work out the total you need to transfer each pay cycle.

Notice I'm not including gym fees or streaming services here. That's because they are discretionary spending and they belong in your everyday account.

Savings Account: Next we work out the amount you need to transfer regularly to your savings account. This will be the amount you figured out in your twelve-month plan.

For some of you, rather than saving, your twelve-month plan might be paying off credit card debt or splitting between paying off debt and creating a buffer account. That's okay too. Notice we're doing the savings amount second? If you're serious about the life you're designing and you're excited about the goals you've set, you need to prioritise this amount rather than just save what's left over after you've allocated absolutely everything else.

Everyday Account: Ideally, your salary will be split by your employer directly to your bills, savings and everyday bank accounts. However, if your employer won't make these separate payments, your entire salary will be paid here and automated payments will be made to the other accounts the same day. The balance left over after these automated payments are made (or that is transferred here directly by your employer because they're splitting up your salary for you) is your money to spend on everything else: groceries, entertainment, eating

out, coffees, gym membership, clothes, hairdressers, travel and more. If there's not enough left over in this account to see you through to the next pay day, then you can look at what you have allocated to the other bank accounts, reconsider your spending, or come up with ways to add more income to your pot or even split up your bank accounts further.

The trick is to not resort to credit cards or to raid your other bank accounts. Instead, when the everyday account is empty, that's it! It's time to head back to living like a university student (or maybe how you lived when you first moved out of home) for the few days until your next pay cycle. Remember when you had to eat rice and beans for days at a time because that's all you could afford? Somewhere along the way you stopped doing that and started handing over the plastic and putting your wants on credit. It's time to break that habit. This method only works if you limit your discretionary spending to what's in your everyday account and leave the other accounts for what they're intended for. The good news is that the funds in the everyday account should allow you to spend guilt-free, knowing you have choice. Remember that just because you have choice doesn't mean you can choose to do everything. For example, if you must travel by Uber instead of public transport and it means you don't have the funds to join your friends for dinner, then your choice is to convince them to eat in or reconsider how you're travelling. If you've signed your kids up to five afternoon activities and you want to eat organic, it might mean dropping the activities to three or making choices around the food you eat. Or if you want to travel overseas each year but you also want to buy an apartment in the next two years, it might mean travelling overseas every fourth year. It's all about choice.

These three bank accounts represent the basics and the minimum accounts you should hold. However, as you'll discover in [Chapter 13](#), different Money Types perform best with more bank accounts, which may include some of the ones I've listed below.

Holiday/Splurge/Fun Account: You can also figure out the amount to transfer regularly to your splurge/holiday/fun account from your twelve-month plan. Another way to calculate it is to decide what you'd like this amount to be each year and work out how much that means you'll need to transfer each pay cycle.

Buffer (or 'oh f*ck') Account: The COVID-19 pandemic has highlighted just why everyone should have an amount of cash that equates to three to six months' worth of fixed expenses sitting in a buffer account. This means you won't need a credit card and you won't dip into savings for emergencies. If you already have this in your mortgage offset account you won't need this to be a separate account but mentally carve out this amount in your mind as being

unable to be spent. If you already have savings, you might want to isolate this buffer into a separate account. If you don't have a buffer, calculate how much three months' worth of bills is (this should be easy to do because you've just done the exercise above). Your plan is to ensure you have this amount of money in this account after twelve months.

To work out the fortnightly amount you'll need to transfer, calculate three months' worth of bills divided by 26. Once you have the correct buffer here, there's no need to transfer any more funds to this account unless you need to dip into it.

A quick comment on bank accounts and relationships: another bank account you might consider is a joint account with your partner, especially if you are living together. To protect you both, especially early in a relationship, you might agree on how much you'll regularly contribute to the joint account, what the money is to be spent on and even that both of you have to authorise payments. That said, I would always also recommend you each have your own personal bank accounts. You want to retain some financial independence and this way, neither of you has to account for every single dollar you're spending and why you're spending it. Be aware too of joint credit cards. That's because if you're the primary card-holder, you'll ultimately be the one responsible for the debt. If you're in a relationship and your partner insists on a joint account and doesn't 'allow' you to have your own personal bank account, this should be a huge red flag and potentially a warning sign of possible or potential financial abuse.

Now that you've used your twelve-month goals to help you work out what bank accounts you need and how much to put in each one, it's time to automate the regular transfers so amounts are automatically sent each pay cycle from your everyday account to your bills, savings, splurge and other possible accounts you might dream up to add.

The reason automations are important is because we don't want this system to be dependent on our self-control. Think about two other payments that tend to be automated: mortgage payments and superannuation. There's a reason why mortgages and superannuation are so effective—because they're automatic, they don't require any effort from us. The bank doesn't leave it up to us when and how much to pay off our mortgage; instead, repayments are deducted by the bank from our account automatically. And in Australia our superannuation is paid by our employers directly to our super funds. Because it happens automatically, we simply accept it. Too many business owners don't make regular superannuation contributions for themselves, because, depending on their structure, they're not compulsory and automatic.

We need to create the same automated system for all of our finances. That's why I'm such a fan of setting up direct debits from your everyday bank

account to your other bank accounts for the amounts you've allocated on the day your pay is deposited.

Of course, with all of this it's important to remember your Money Type and to adopt the number and types of bank accounts that will best suit you. For example, if you struggle to spend money on yourself (potentially the Worker and Relator Money Types), you might set up a fun account and give yourself a challenge to spend that money every single month. If you struggle with saving (potentially the Creator and Discerner Money Types), figure out how far your savings account needs to be away from your everyday monies (and possibly not held in cash) so that you don't see the balance and aren't tempted to spend. If you struggle with remembering to pay your bills (for example the Worker and Creator Money Types), it might be not just automating transfers to your bills account but automating all your bills so they're all on direct debit—even if it means you're regularly prepaying some bills that don't allow for automatic payments.

By working out your goals and applying these to your bank accounts, you'll set up a simple financial structure. The habits we've talked about here are the supportive undergarments you pop on before your outfit or the great foundations you create before you build your house. They don't necessarily need to be, and rarely are, one size fits all, but they do need to exist and they do need to be right for you. In the following chapter, I'll talk about the basics that are right for each Money Type, but please know: every single Money Type needs to set up the right foundation, which will always include some type of goal-setting and the basic bank accounts.

Of course, once you've completed this foundational work, you're ready to add additional systems and habits that are right for your Money Story and Money Type as you start to create your own bespoke suite of money habits.

GREAT MONEY HABITS FOR EACH MONEY TYPE

Before we start dissecting great habits by Money Types, let's set the scene thinking about some non-financial habits for a moment—in particular, exercise.

Now, I don't know about you, but I've always struggled with exercising. Intellectually, I understand that it's good for me, but the only exercise I really enjoy is group sports. This wouldn't be a problem, except I snapped the tendon in my ankle in my twenties playing netball and that, combined with my penchant for high heels, trumps any motivation to work out in groups or teams where I could trip over someone's foot and snap it again. I've tried mid-distance and long-distance running and I really want to enjoy it because it doesn't cost anything and appeals to the daily frugal environment I like to cultivate, but I hate it. So, I work out in the gym at home a couple of times a week and do a barre class twice a week. I use the app to automatically book in to the barre class and pop the classes as appointments in my diary. I also reward myself with Haigh's chocolate (which is downstairs from the class) to incentivise myself to go. I'm not naturally gifted at barre (in fact I would argue I'm terrible at it) and this soothes my competitive nature because I intrinsically know I won't compare myself to others in the class, but I can still get a good workout. At home, I've coaxed my husband to work out with me in the gym one day a week so I'm not bored.

What I've done is curated a series of exercise habits that might not quite bring me joy, but suits my life experience, finances, environment and personality.

I want you to adopt a similar approach for your finances. It's acknowledging that, sure, just like my exercise regime, managing your finances may never bring you joy. But when you pick the right habits for your Financial Phenotype, dealing with money should eventually become easier.

Not straightaway, mind you. Even the most natural runner will suffer and find it difficult when they first start training for a marathon. The difference between that natural marathon runner and someone like me is that

personally, long-distance running feels perpetually wrong and compoundingly difficult. Contrast that to playing netball in my younger days, which utilised my natural ability to sprint. This meant I was good at it and therefore enjoyed it more. Even though developing my netball skills was still challenging, I would happily spend time practising, so it became easier and enjoyable. When you compare this to the exercise habits in my adult life, you'll understand that sometimes you might not always be able to do what brings you joy, but you can still find a system that works for you. In other words, I've learned to apply self-control so that I exercise regularly through finding a set of exercise habits that works for me.

What we're wanting to do here, no matter your Money Type, is to curate a series of habits that will lead to all-important overarching qualities: financial self-control and willpower. These habits give you the ability to enjoy today and to look after your future self.

The best way to strengthen willpower and to increase your self-control is to turn them into habits. Remember the marshmallow experiment on self-control in [Chapter 2](#)? Years later the researchers tracked down the children from the study. They observed that the children in the study who were able to delay gratification with their marshmallow the longest performed better academically than the children who gave in to their impulses. They had the best grades and had Scholastic Aptitude Test scores 210 points higher than the average. These kids weren't the smartest; they were just able to use techniques to strengthen their self-control.

Here, it's about creating routines, patterns and systems that are right for you. We're creating habits for your finances that will help you exercise self-control, delay gratification and move you closer to the life you want to live. If you try a financial habit but it feels wrong or uncomfortable, like an itchy jacket, even after you've persisted for a while, don't give up on habits completely. Instead, keep trying to build your unique suite of habits by trying another habit and another. Continue trying and building until you find the right set of habits for you.

And when you find a habit that (after you've persisted with it) feels natural, normal and doable, don't stop with just one. Instead, try adding another habit and another, until you have a set of habits that you've tailor-made for yourself.

To be clear, understanding your Financial Phenotype does not eliminate the need for hard work. Nor does it mean that you won't need to work at your finances. But it does help you understand what to work hard on and where to spend your time and energy, and to know what opportunities to look for and what challenges to avoid based on the strengths and weaknesses within your unique money makeup.

The better we understand our Financial Phenotype, the better our suite of habits, systems and eventually investing opportunities and our whole of financial wellness will be.

In this chapter, I've split habits up by Money Type. But I want to stress that the habits I've compiled and illustrated are not a dictatorial, one-size-fits-all approach, where every habit for each Money Type is guaranteed to work perfectly. It also doesn't mean that a Relator habit won't work for you if you're a Creator, or that a Worker habit won't work for a Discerner. Or that this is a complete list. It's also important to remember that while these habits are linked to your Money Type, they will also interact with your Money Story.

At the beginning of each Money Type below, I've given examples of how each type might best employ the basics around bank accounts and automation from the previous chapter. The basics should be employed by every Money Type but there will be slight differences.

Following the theory of the habits for each Money Type, I provide real-life examples of clients I've worked with (changing their names to protect their privacy), friends I've helped or my own experiences, because I want you to understand that these aren't simply abstract concepts. These habits work for real people.

THE WORKER

Basic Habits

The problem for Workers is they may not get around to figuring out what bank accounts work best for them, so at a minimum I would suggest a prescriptive approach to the basic accounts: a bills account, a savings account and an everyday account that have payments automated between them. But I do think it's important that some Workers also use a fun account and make sure that each month or quarter they spend the fun account monies so they're enjoying the fruits of their hard work. This also helps curb a weakness of the Worker, which is unconscious spending because they haven't kept lists or don't have time. Keeping a fun account allows for guilt-free 'overspending' within allowed-for limits.

It's also important for Workers to have a system to convert their cash savings into another investment class. It's helpful to establish rules for this, as Workers often prefer sequential thinking and are usually great at following rules, whether they're set by themselves or by others. And once accepted, they have the discipline and tenacity to see those rules through. For example, they might have a savings account where they establish a rule that once the balance goes over \$5000, then \$4000 must be transferred to a predetermined and established investment. Or they might choose an investment (for example, an exchange traded fund [ETF] or managed fund) and automate a regular transfer of money to it each month.

Advanced Habits

The issue Workers have is that with the emphasis so firmly on earning, they can often neglect saving, investing and smart financial basics, such as checking in with interest rates, lodging tax returns and more. This can lead Worker Money Types to feel like frauds or ashamed—they see this as ‘slack’ or ‘bad behaviour’ so they don’t seek help. It’s vital for Worker Money Types to understand this is common financial behaviour for Workers and not to judge themselves so harshly that they don’t seek help or set up great habits.

For Workers, it’s about adopting a suite of habits that move them from simply working to prioritising their financial health and financial goals. The first habit that works well for Workers is more than simply automating transfers between bank accounts and involves what I call ‘extreme automation’.

Extreme automation means automating everything you possibly can, so it simply happens and isn’t reliant on you doing something. This means automating savings, investing, paying taxes, paying bills—everything that can be automated should be. While automation is a great basic habit for all Money Types, the reason I call this an ‘extreme’ version of automating is that Workers should be doing this even if there is no financial gain. For example, organising monthly direct debit payments to utilities, taxes, savings—there may be no financial gain for doing this and you may even face a financial disadvantage. Your utility company won’t pay you interest for putting your account in credit and if you’re investing into some share funds monthly or purchasing shares in smaller allotments you may be paying higher fees. However, it’s the act of ensuring it happens that’s important for a Worker. Of course, you might argue you could just use direct debit on those bills that allow you to. My concern is that if your credit card expires or is stolen, you won’t bother updating your supplier and the whole system will fall over. (If you’re a Relator and a rescuer to the point where you are constantly in danger of not being able to pay your own bills because you help others, this can also be a great system for you.)

The next habit that can work well for Workers (despite them not enjoying using it) is outsourcing to others or to a system. Many Workers will hate delegating or outsourcing because they won’t want to spend their hard-earned money on something they think they should be doing themselves. The problem often is that they aren’t doing it themselves and may be paying fines and penalties or missing out on financial investments and opportunities because of inaction. This might mean outsourcing bookkeeping if you have a business; outsourcing financial advisory and accounting so that savings, taxes and investing can be dealt with regularly; and having a check-in system to establish accountability for you and the person you’re outsourcing to. If you have an assistant, have them make diary appointments for things like checking your mortgage interest rate or, even better, have them do it for you. Other ways a Worker might find an accountability or outsourcing method could be through a virtual assistant, a

trusted advisor, a romantic partner or a super-organised family member. Often, once a Worker understands the benefit of asking (or paying) for help, it's easy for them to take the next step of getting help.

If a Worker doesn't have the funds to outsource, using their calendar or diary to set up monthly financial appointments with themselves can ensure they're carving out time to not simply be working, but to be financially smart. Workers don't necessarily love goals, but once a system has been established, being rule-followers, they'll often stick with it to the letter. If you adopt this system, I recommend you create a diary appointment for these monthly financial check-ins with an agenda and check-list where possible that you can continually add to so that you know you've taken action. You could create a month by month agenda; for example, January is for checking your mortgage interest rates with a comparison site, such as [Finder.com](#) or [Compare the Market](#), and contacting your bank or broker if your rate is too high; February is for comparing insurance premium payments to make sure yours aren't too high and you're also appropriately covered; March is for unsubscribing from subscriptions you're no longer regularly using; April is for setting up or tracking your share investing, and so on. Or you might have a checklist of things you look at every single month, such as reviewing your spending for the last month either via your bank account or a tracking app like [Pocketbook](#), and using a comparison site to check one big-ticket spending item, such as interest rates, insurance, health premiums or superannuation. These financial appointments might also be the time you check in with your financial advisor, organise wills, track your saving progress, look at property and create a pattern of behaviour where you're prioritising your financial health. But they need to be scheduled, diarised and kept.

An easy financial habit Workers can employ is putting rules around, or systemising, their behaviour. We've already looked at a rule for savings in the basics section above but adding systems into their everyday financial life is also helpful. For example, a system or rule that would curb your unconscious everyday overspending would be that you can only grocery shop once a week and must spend time cooking and preparing meals once a week. This means you need to be organised before you shop, you're preparing meals so you're not going to spend money buying lunches or dinners and you're limiting how often you're going to the grocery store. It also means if you do unconsciously overspend on groceries it will only happen once a week and not once a day.

Workers generally don't enjoy debt—they prefer their investments to feel safe and comfortable and are usually motivated to pay debt off quickly. It's this attitude towards paying down debt that means using debt when investing can work well for a Worker. For example, using debt to purchase investment properties or other assets that increase in value can mean that you aren't simply paying cash into a bank account and earning very little interest. Instead, you're motivated to pay your investment debt down

quickly, which may not always make the most sense if this is tax deductible debt, but does mean that your net asset position is growing faster than savings in a bank account would. Sometimes, using the tension of a situation a Money Type doesn't enjoy and so is motivated to eliminate quickly is worth considering when thinking about great financial habits to adopt.

Some Workers can harness the extremes in their rule-following, sequential, rigid behaviour by following a system encouraged in lifestyle movements such as FIRE (Financial Independence Retire Early). This is where so-called weaknesses of the Workers such as their extreme work ethic and rigidity, can be turned into strengths. FIRE rules are a simple formula of high savings rates (up to 50–70 per cent of annual income), very frugal living (minimalism) and low-cost index fund investing in order to reach financial independence within around ten years. While a Worker will potentially not stop working once they've reached the ability to do so, having an established system of rules and rigidity that will quickly build a pool of assets (and not simply hoarding cash in the bank) may work for them. The danger is that a Worker will continue to follow this behaviour long after the ten years is up. Many Workers may put off the Retire Early part of FIRE and simply keep going, to their detriment and possible burnout, so make sure you have an end date. (Creators may also be attracted by and motivated to try FIRE because of the immediacy of the returns they'll see.)

Finally, often the Worker's greatest assets are themselves and their health, and these are often neglected by their working patterns. Scheduling, diarising and committing to regular time for exercise and eating well are vital for Workers to ensure they can continue working in the future.

Real-Life Examples

My husband, Tony, you might remember, is a Worker Money Type, and because I know him so well I'm going to use him again as an example here. Tony's level of comfort is around the amount of cash he has in the bank. If it falls below a certain amount, he's prone to overwork until that buffer is restored so keeping an eye on that cash buffer is now a regular habit for him.

Before we met, Tony didn't have bills or other regular expenses set up for autopayment. Like a typical Worker, he was concentrating on working. The first thing I did was organise to get his tax returns up to date and set him up with a regular monthly payment to the Australian Tax Office for his quarterly business activity statements. Sure, he doesn't receive any interest on these early payments, but this set-up means he's not paying any late fees or interest from forgetting to pay. Like many Workers he prefers not paying for help, so we've organised direct debits where possible for all his bills and I have my assistant pay any personal or business bills I happen to find that he's missed.

Because Tony is busy and doesn't enjoy planning, he is prone to

unconscious daily spending. He will mindlessly grab things when shopping so we sometimes end up with four bottles of olive oil, eight tubs of yoghurt or an overabundance of avocados, chillies or paper towels. To circumvent this now, he takes time to plan recipes for the week, works out what we have at home, makes a list and then shops on a Saturday morning. While Tony doesn't usually enjoy planning, he has discovered he finds this process of scheduling, organising and cooking food for the week relaxes him and also keeps his Worker Money Type happy because he's still busy doing something.

Tony, like many Workers, values stability and seeing the fruits of his hard work in something tangible. When we met, we created a plan to buy our own home and pay off the mortgage as quickly as possible, which was incredibly important to him. That included calculating how to pay off our loan within five years and both of us automatically contributing weekly funds to the mortgage. This means his lump of savings weren't sitting in cash and he felt incredibly calm, confident and motivated by the contribution he was able to make to pay down the debt.

Tony expresses an interest in the share market, but lacks the confidence to invest and doesn't have the desire to learn. He understands and feels safe with property so that's where he naturally gravitates with his investing. He hasn't bothered following up on investing in shares personally because his superannuation is invested there so he knows he has some exposure. Unlike many business owners, Tony pays above the minimum amount of superannuation, but again it's automatically transferred each month (rather than each quarter), so he doesn't need to think about it.

Another Worker Money Type whose habits we could look to is a client I'll call Rochelle. Rochelle, like Tony, is an incredibly hard worker. She puts in long hours at her job, earns a decent wage and is a dedicated and hardworking employee. The difference between Rochelle and Tony is that Rochelle enjoys travel.

In the past, whenever her savings balance passed certain limits, she would book a trip overseas. Rochelle's justification was that she worked hard and didn't spend a lot of money each day; therefore, she deserved a trip. The trips weren't necessarily luxurious, and by the time she arrived home her savings balance would still be okay because they weren't expensive holidays, but she'd simply get back on the treadmill and keep going. Work, savings in cash, holiday, work, savings in cash, holiday.

Rochelle was renting and her Money Story was that if you wanted to be a grown-up you should buy property—but she didn't want to settle down. Rochelle wanted the ability to follow earning opportunities whenever they arose, and so while she wanted to invest in property, she hadn't bothered buying anything because she didn't know where she'd end up. But Rochelle was starting to become annoyed at herself for not having something to show for all her hard work other than cash in the bank that she knew wasn't growing as fast as the property market was.

Rochelle ultimately decided to buy property as an investment she felt confident with, in an area where there was rental security and the potential of capital growth. It wasn't necessarily somewhere she wanted to live, but she was excited about the prospect of owning an asset without feeling tied to it geographically or emotionally. Once Rochelle figured out that she didn't need to buy a property to be her home (a solution she was comfortable and confident with), she used the discipline of her Worker Money Type to take on extra work (longer hours at her main job and a second job after hours) and saved as much cash as possible in an online savings account. She also employed the rigidity of her type to delay holidays and cut out almost all non-essential spending, including socialising, which was easy because her working hours didn't allow much time for that. This meant she saved up enough for a deposit within twelve months, at which point she dropped the second job.

Rochelle also automated her bills and set up regular payments to her mortgage offset. She plans to start looking for another investment once she has six months' worth of repayments in her offset account.

Rochelle doesn't have any strong financial role models around her, and while she's comfortable concentrating on paying off her investment property, she wants to have the option of choosing not to work once she's 40. When pressed, she admits she couldn't stop work; she just wants the financial option to do so. Because of this, despite her reluctance to pay for help, Rochelle has a monthly call with her financial advisor for a small fee to make sure she's on track to save and invest so that she retires at her goal age, if she so chooses. Rochelle doesn't want to financially rely on the possibility of someday finding a partner so she's incentivised to create habits that build a financial future where she can be self-reliant. Rochelle is toying with the idea of reapplying for a second job so that she can reach her financial goals faster but also recognises this might not be a good long-term solution for her health. She's decided instead that if she did take a second job, she would put half of the income into a holiday account. It's clear this new Money Story of providing for her own financial independence is incredibly motivating for Rochelle now that she's confident to step into it.

THE CREATOR

Basic Habits

Automation is important for all Money Types, but, like Workers, it's especially important for Creators to ensure the basics are being covered. That's because Creators are big-picture, idealistic dreamers and are often more concerned with today than they are with looking after their future selves.

Creators should have the basic three bank accounts (bills, savings and

everyday) and be automating payments between these accounts but it's also important for Creators to have a buffer (or 'oh f*ck') account with a balance that equates to a minimum of three months' worth of expenses. This cash buffer is recommended for all types but is particularly important for Creators, who tend to be the most skittish Money Type, often moving jobs, or chasing ideas and opportunities. Establishing a habit where they keep a buffer ensures they have a safety net when they need one. This account should be kept separate from savings and in an account that is not easily accessed. I have met Creators who have this money in a bank account that a parent or trusted advisor controls because they understand if they held that much cash themselves it would be like the fox guarding the hen house.

Again, as with the Worker Money Type, general financial habits such as direct debiting all bills and outsourcing can be great money habits for Creators to ensure their financial basics are being covered.

Advanced Habits

Creators often like to come across as confident or self-assured, which is why it can be difficult for them to admit they struggle financially. Yes, they're often very willing to admit they're not good with numbers, but they might not as readily admit they're not managing their money well. While Workers will avoid dealing with their finances because they're busy (they presume their work ethic will mean that financially they'll be okay), Creators are the most likely to apply wishful thinking by burying their head in the sand and hoping it will all just sort itself out. The problem for a Creator is that, unlike the Worker, they may not have the income for this to happen. This is why it's so important to set up great financial basics (like a buffer account, automating and the basics bank accounts), as these will save them from simply crossing their fingers and hoping it will all work out, as will forming a set of habits that motivates them to bring in income and protect their savings. The best habits will harness their innate creativity towards fulfilling their financial potential.

Creators and Relators are the two Money Types most at risk of raiding their savings accounts. Relators do it to help others but Creators do it to enjoy the now, to chase a 'sure thing' or another business idea. Ensuring your savings are tied up in investments that you might think are boring or too safe but are harder to unwind is a great habit to employ to save you from yourself. This might include investing in property or an asset type that you're less likely or able to sell quickly and easily. At the very least, your savings should be in a different bank from your everyday account and not accessible with a key card.

Creators are also the Money Type that most often has problems with credit card debt. In fact, many of them should cut up their cards and walk away from credit and 'buy now pay later' platforms entirely. Creators often

like to spend extravagantly on things and experiences they love, so developing habits to limit overspending is vital. A habit to assist with this could be coming up with a spending mantra.

Mantras can appeal to Creators' often alternative mindset. When Creators effectively employ mantras, this can feed into their manifesting strength. For example, in order to help a Creator spend well, they might adopt Ramit Sethi's mantra 'I spend extravagantly on things I love but cut costs mercilessly on the things I don't'. It's not a habit of cutting back a little here and there, which can make Creators generally unhappy about life. Instead, it's reframing your mindset from one of deprivation to one where you are consciously frugal so that you can freely spend on those few things you enjoy. And in this way keeping your spending within your income.

Creators often love the new, interesting and immediate, and using gamification can be a great way to motivate them financially. Financial gamification means that they're applying typical elements of game playing (for example, point scoring, competition with themselves or others, rules of play and rewards) to their finances to encourage engagement and motivation. I would encourage Creators to use all of your innate creativity with gamification—from creating financial playlists to motivate you, coming up with your own financial creed or mission, naming your financial game or even creating financial memes to amuse and inspire you. It's about using all your imagination to help you engage positively with your finances. I've included different examples of financial gamification and of how they might work in practice below.

Linking habits or goals with rewards: If you can save your annual savings target in under twelve months, then you can spend the extra savings amounts on anything you want from that point. So, if in nine months you hit your target of \$20,000, then for the final three months, you can have the \$1666 per month that you'd earmarked for savings to do what you want with. Or if you earn \$2000 extra in income next month, you can book in to a day spa the following month.

Using a scoreboard approach: If your target is savings of \$100,000, you might grab a piece of paper and draw either 100 boxes or an image with 100 parts where each square represents \$1000 and you colour one square in every time you save \$1000. Or, if your target in business or with your side-hustle or investments is to earn an annual income of \$100,000, you might apply the same method but instead of the boxes or parts representing savings amounts they'd now represent income earned.

Using financial challenges: Create short-term financial challenges that inspire you to harness your creativity and reach your short-term

goals (and therefore your long-term goals). Examples might be finding \$1000 of additional income next month or solving the financial conundrum of three expensive events and Christmas all happening in the same month without it costing you a cent.

Creating spending and saving game rules: You might decide on adopting a rule where for every \$1 you spend on clothes and shoes (or whatever you determine), you must save \$1 either directly into your savings account or preferably into an asset you can't immediately access, such as an index fund or direct shares. Or you might set up a rule where you need to wait overnight before you hit 'click to buy' when online shopping. If you still want those items the next morning and you have the funds, then you can purchase. This way you're not simply giving in to your initial impulse.

Making the rewards immediate: It could be as simple as ringing a bell when you've made a sale or reached a monthly savings target, or buying a bottle of champagne to celebrate or booking in for a massage. It doesn't and shouldn't always be linked to monetary rewards, particularly expensive monetary rewards.

Using tracking apps: For Creators the best apps are goal-based apps where you can track your goals rather than apps that track your spending. That's because you're more motivated by the growth of your savings and assets than you are by the limitations on your spending. Using apps that motivate you towards long-term pleasure are more helpful than ones that remind you of short-term pain.

Real-Life Examples

Interestingly, while Creators can be open-minded, flexible and decisive, they can also be almost reckless with their personal finances. When I work with Creators I'm a big fan of creating multiple streams of income (which meets their need to have multiple balls in the air) and ensuring half of those streams are from assets they can't risk or easily sell.

An example of a Creator is a client I'll call Jim. Jim works in advertising and earns a nice income, but he recognised early on that while he was great at his job and making money for other people, he wasn't so great with making investment decisions for himself.

That's why Jim has developed a financial habit of checking in with a financial advisor he trusts before making any large purchases (both personal and investment). When I've held that role of financial coach, often he just wants to ring and tell me he's purchasing something and will go ahead and purchase it anyway, usually for more than he admitted to the item costing. A habit that has worked well with Jim is to give him an 'up to and no further'

price when he purchases homes, properties, art, boats or other investments or 'toys' because otherwise the price we agree he should spend he considers a starting price guide only. It's giving him clear limits while still allowing him to play up to those limits.

A habit Jim adopted that works well for Creators is the use of mantras and gamification. Jim has challenged himself to choose where he's going to be relentlessly frugal and where he's going to be extravagant. Jim works hard and wants to have certain assets and toys to show for it, but he recognises if he wants financial freedom, he can't have everything. When he looked at his spending, he realised he doesn't care about eating out or travel because he does so much of that for work, yet he had somehow adopted this habit of good food and travel in his personal life. His mantra now is 'Toys, not travel and tucker' and it's a phrase he repeats often, not just to himself but also to others when he's invited by friends to expensive overseas trips, weekends away or nights out. Because he's leading with what he's prioritising spending on (and something he's excited by), his friends understand and as a result have also started looking more closely at their own spending habits.

Jim has also put his Creator traits to good use to solve his financial conundrums, with the habit of adopting financial challenges. Despite his mantra, he found he still wanted to join friends overseas, but knew he couldn't afford to achieve his spending and savings targets if he did. He worked out that if he rented his apartment for the period he was away, it meant his holiday was almost cost-neutral. Encouraged and entertained by this, Jim has sought to find other ways to make his life cost-neutral while keeping his somewhat flamboyant lifestyle. This has also involved setting up as an Uber driver to accept fares when driving home from work. As a result, his flashy car has been paid for and as an Uber driver he's able to meet people during his often lengthy commute home, which fulfils his desire for socialisation.

Despite working within advertising, Jim recognises that he's also very influenced by others on social media, which can impact both his money mantra and his financial goals. Jim has set up an alert in his phone which reminds him on the first of every month to unfollow anyone who is causing him to click to buy. It's an automation that means he's regularly reminding himself to be conscious about his spending.

The next example is a client I'll call Shelley, who is a serial entrepreneur. She currently has an existing business, is starting another business and has recently sold her original business. When she sold her business, she immediately hatched a plan to spend a large percentage of the sale proceeds on both a flashy new home and investment properties to prevent her spending it all on cars, shoes and extravagant overseas holidays—which she knew she was prone to do. She already has a considerable portfolio of shares.

Shelley can be flash with her spending habits (and often is) and she thinks that the investment properties are incredibly boring, but she recognised the

need to lock her money away from herself and create something tangible and safe. The properties also give her a passive income, which means she can concentrate on her next venture.

Like some other Creators, Shelley has an obsession with money. Despite selling her business for a large sum of money, Shelley is paranoid she's going to run out of cash and this fear keeps her awake at night. Shelley has created a series of habits to keep herself calm—this includes a system of regular check-ins with an advisor she can trust, meditating daily, eating well, exercising and monthly check-ins with a naturopath. While only one of those habits is financial, this routine of keeping herself calm is a great habit of ensuring that, as a Creator, she doesn't spiral or stress over her finances.

Shelley also uses habits of gamification both in her personal finances and within her business. With her personal finances, her challenge currently is to earn \$250,000 of non-personal-exertion income within five years, which she has broken down into \$50,000 per year. Each year she challenges herself to launch a business or to invest in shares, property or other assets to deliver this target. She has created a wall chart that is displayed in her office, a smaller version of it is on her fridge, and a photo of it is on her phone's home-screen. This way it's a motivating daily visual reminder for her.

THE DISCERNER

Basic Habits

When it comes to bank accounts and automating transfers between them, it's the number and types of bank accounts that will be unique to each individual Discerner. That's because Discerners don't like homogeneity and doing something for the sake of it. They prefer to understand something and to adapt it for themselves. For example, some Discerners may only have the basic bank accounts (everyday, bills and savings) because that makes sense to them, while other Discerners may have the basic accounts plus fun accounts, tax accounts, buffer accounts and five more besides those. The important thing is that Discerners identify the bank accounts that work for them and actually use them.

The danger, however, is that a Discerner will judge the whole financial basics concept as too simplistic and therefore not for them. It's important to remember that often the most elegant solutions are the simplest and at a minimum to start with the three basic bank accounts—and automate regular predetermined amounts to them.

Advanced Habits

Discerner Money Types want to think and discover things for themselves—it's no different when it comes to their finances. But Discerners can also

suffer from paralysis by analysis and it's important for them to recognise that and not wait until they've found the perfect solution but to continually find, trial, adopt or reject and create a set of financial habits that work for them.

Discerners are the most likely to borrow and adapt habits from different Money Types if those habits make sense to them, so don't feel strange if different habits from the other Money Types appeal or seem like common sense to you. Creating a 'habit' of collecting financial habits so that you're not bored and remain continually challenged can be a great approach for a Discerner.

But before we dive further into great habits for Discerners, let me spend a moment explaining to you why they're important. (Because if you're a Discerner, understanding the reason why something is important means you're more likely to act.)

Researchers have discovered that a baby's brain works faster and is potentially smarter than an adult's brain. How do we know this? Researchers at Oxford University in 2007 discovered that babies have 41 per cent more neurons than the average adult. A neuron in the brain is a specialised cell whose function is to transmit information throughout the body. The reason an adult brain has less neurons is due to something called synaptic pruning. Synapses are essentially connectors between neurons in your brain, and when we stop using these connections the brain trims them away so that it becomes more efficient. In this way, the brain develops stronger, more naturally occurring pathways, if you like, to support those activities we're doing regularly. For example, I learned to play the piano at age five. By age thirteen I'd reached an eighth grade level, which is the highest graded level, and due to the fact I was practising for at least an hour most days the brain would have strengthened the connections between those neurons relating to my ability to play. But today I rarely play, which means my brain has pruned away these connections and allocated energy towards other skills I use more regularly.

If we want to build stronger habits and become more skilled at something, we want to build these strong synaptic connections. If we want to become better at basketball, we need to practice regularly, and if we want to become better at our finances, we need to create patterns, habits and systems that strengthen these neural pathways.

An easy way for us to build new habits is to connect them with an existing habit. James Clear, in his book *Atomic Habits*, calls this practice 'habit-stacking'. By attaching a new habit to an existing habit, you're essentially using the strength of an existing synaptic connection to your advantage.

Clear's theory of habit-stacking can be an easy way for Discerners to automate their financial habits. Some examples of habit stacks might be:

After I brush my teeth at night, I will immediately put my work-

out clothes at the end of the bed ready for the morning

When I turn off my car when I arrive home after work, I will sit and complete six sets of box breathing before I open the door

After I pour my cup of coffee each morning, I will log into my online banking to understand my spending in my everyday account from the day before

We've already seen an example of habit stacking through the gamification example for the Creator Money Type: after I spend \$1 on clothes and shoes, I must spend \$1 on shares. This is a habit I'm currently using—it's a simple financial habit stack that pops an investing behaviour next to a spending behaviour and means I need to stop and think if I can afford twice the price because I must invest the same amount. Because the system makes sense to me, I now do it without thinking. It's also an example of Discerners borrowing a habit from another Money Type but viewing it under their own lens. Here, it's via my habit stacking inclination rather than a Creator's gamification preference.

As Discerner Money Types often love to look for and discover ideas, finding solutions for financial problems not only from other Money Types but even outside the personal finance world can be a motivating money habit to adopt. One example of this is through asking absurd questions. This is something recommended by people such as Todd Sampson, co-creator of Earth Hour, and Tim Ferriss of The Four-Hour Work Week. This habit involves asking absurd or provocative questions to your current financial conundrum or situation. Examples of absurd questions are:

- How would Steve Jobs solve this financial issue? Or how could I apply Steve Jobs' thinking around wearing the same skivvy every day to my finances?
- How can I achieve my ten-year financial goal in six months? (Where your ten-year plan might be buying a home, having a child, having a sabbatical, saving \$20,000 or paying off your debts.)
- If physical fitness and health are important to me and positively affect all parts of my life, what might spending 10 times more per year on them look like? Or 100 times? (If you can afford it, how could you test it for a short period to gauge the results?)
- Consider inverting the problem. How could I *destroy* my financial health? (If you can figure out how to destroy it, you can figure out a strategy to stop it being destroyed.)

It doesn't mean you must stick strictly to the parameters of these

questions when you're answering. It's not 'Exactly what did Steve Jobs do?' but, 'How do I apply his creative, outside-the-box or even break-the-box thinking to this issue?' It's not about magically accomplishing ten years' worth of dreams in the next few months, but, to quote Tim Ferris, 'about how to find the right question to productively "break your mind" and emerge with new capabilities'.

For a Discerner, this habit is about embracing and acknowledging that the normal systems you have in place, the social rules you often dislike so much but may have forced on yourself and the standard frameworks don't work when answering questions like this. You're forced to shed artificial constraints and lean into your ability to think differently.

Another Creator habit I use that can work equally well for Discerners is the setting of regular time-based financial challenges. The subtle difference is that for a Creator it might be a law-of-attraction, manifesting, creative challenge while for a Discerner it will be an intellectual, ideas-based, puzzle-solving challenge. Those financial challenges might include:

- I need to generate an additional \$500 of income next month.
- This month I'll complete a 30-day financial detox, where I won't spend money on non-essentials.
- This year I commit to saving \$5000 and donating \$5000 to a particular charity.
- This quarter, I'll earn \$100,000 through Product D in my business.

The issue is not to make the challenge so hard that you opt out but hard enough to motivate you to do it.

Because the Discerner Money Type (just like the Creator Money Type) is susceptible to financially sabotaging themselves by chasing bright, shiny ideas and paralysis by analysis, this combination of financial basics and regular, interesting financial challenges and habit stacks can create enough momentum and security to help them feel financially motivated, satisfied and safe.

Real-Life Examples

As you know, I'm a Discerner Money Type, so here I've outlined some financial habits I've adopted for myself.

As a Discerner, I want to have multiple plans running but I also have a Money Story that is about 'not enough' and needing to feel not just financially safe but in control. This means I need to have an enormous amount of financial independence and safety which means my businesses are all in my own name, my direct share investments are in my own name and I have my own personal bank accounts that Tony doesn't have access to. Tony understands that my having a large buffer of funds and investments in my

own name means that I feel safe in the relationship and we both are comfortable with it because he has his own money too.

Personally, I love habit stacks. I use them regularly and almost unconsciously. That's because motivation for me is low, but if I set up the environment so that I can act without too much willpower, I'll perform an action consistently. Looking after my financial health without having to put energy into it makes sense to me, which is why I use habit stacking not just with my finances but in all areas of my life, from 'After I turn on my car, I'll immediately complete six box breath sets' to 'After I pour my morning coffee, I'll reconcile my Xero file'.

I also regularly use and enjoy financial challenges both in my businesses and with my personal finances. In my business I've used 30-day, 90-day and 'number of units sold' financial challenges, and I've asked provocative questions like, 'If I was starting a business tomorrow, how could I put me out of business?' and then adopted ideas that made sense out of that process. In my personal finances, I commit to a biannual 30-day financial detox where I don't buy any new wants, such as clothes, shoes and books for one month to help me reset.

I love planning, lists and monthly check-ins—they're like financial porn to me. Perhaps the most successful and habitual routine I have with this is called my 'best year yet'. At the beginning of the year I make a list of what would make this my best year yet. This includes health, fitness, work routines, holidays and my finances. Financial examples in the past have been that I want to have \$100,000 worth of shares in my own name by the end of the year, that I want to start a new income stream that generates more than \$150,000 in profit and that I want to buy an investment property in a particular location worth a particular amount. I then create a list of action items in my AnyList app and check in monthly to make sure I'm on track. By the end of the year, sure, I might not have stuck to everything, but I've progressed a whole lot further than if I hadn't completed the exercise.

I make most of my income through business thought leadership. As a business owner, I'm constantly on the lookout for better business practices, solutions and ideas and most of these are not from looking at competitors but at those outside my industry. I struggle with 'bright, shiny object' syndrome, so if I have a new idea, I either limit the amount I spend on it until I know it works or I hire an expert to help me so that I can launch it successfully and then enlist others within my businesses to help run it.

I don't have too many different bank accounts, but I do have the basics—one everyday account, one shares account (my savings) and a credit card for my bills to be paid automatically with. I hate life admin so I automate all bill payments and all superannuation payments. Everything else that can be automated or outsourced is. This includes cleaning, gardening, business administration and more.

Another example is Tim Ferriss, who I've identified as a possible

Discerner. Tim employs what he calls his ‘single-ply habit’, which I believe would work well for Discerners. It’s also an example of asking absurd financial questions.

The reason it’s called the ‘single-ply habit’ is because Tim used to buy single-ply toilet paper but he had to wrap it over itself many times to be effective. This meant that despite it initially costing him less, it was really costing him more because he used more. This led him to realise that in some instances, his frugality wasn’t logical. Tim then went on to question where he spent money that was providing him outsized returns, and whether he should be upping his spend there. To adopt this habit in your own life, you’ll need to ask yourself questions about your spending. Tim suggests the following:

- What purchases of \$100 or less have most positively impacted my life in the last twelve months? Are they grouped in particular areas?
- What might it look like to invest more than \$100 into those high-leverage areas? What might it look like if I had to spend \$1000, \$10,000 or \$100,000 per year?

In Tim’s words, ‘The goal is not to unleash the Kraken of irresponsibility and spend like a drunken sailor. If you’ve been programmed to buy gallons of Costco ketchup to save two cents per serving, these questions are intended to stretch you in the opposite direction’. Tim decided to spend more on toilet paper as well as to pay for fitness classes for his ageing parents. After a short trial period, he realised the physical, financial and emotional rewards were so great for his parents that he’s continuing for at least another year.

In his blog post, ‘Where are you still using single-ply?’ Tim goes on to ask the following questions about spending and saving:

What might it look like to move from scarcity-based decision-making to outcome-based decision-making? Not to spend more, necessarily, but to better answer the questions ‘Where should I invest more and where should I invest less?’ and ‘Where does it make a meaningful difference?’ Note that the wording of these questions really matters. Ask first ‘Where should I invest more?’ and then only ‘Where should I invest less?’

Tim’s example appeals to a Discerner Money Type’s intellectual curiosity and turns it from a must-do into an interesting-to-do experiment. And that’s the key to making money habits work for a Discerner—making sure the basics are covered and then engaging in habits and practices that spark their intellect.

Basic Habits

Relator Money Types usually need the most bank accounts because they'll put everyone else's needs first. Having a system of automation and multiple accounts with different banks is how a Relator puts on their own financial oxygen mask first.

Bank accounts that are important for Relators include an everyday account, a savings account, a bills account, a buffer (or 'oh f*ck') account and a fun account. Having a fun account that is just for them can be incredibly important—that way they're not simply looking after everyone else but they're also spending on themselves. Having a buffer account is just as much for their children's car repairs as it will be for their own car repairs, because they're motivated to rescue. But it means they're not dipping into their savings. Like the Creator Money Types, Relators should ensure their buffer account isn't with the same bank as their everyday account.

I've toyed with the idea of having a 'giving back' account with Relators; while it can work for some, I've found that Relators can feel guilty if a large percentage of their income isn't going to this account. It can be a great way to establish a fixed portion of their income that will go towards causes but for most Relators it will involve giving out of their everyday account and adopting their own spending habits to suit.

Advanced Habits

Whether it's by nature or nurture, the Relator is hardwired to help others. That's one of their greatest strengths, but it can also be their greatest weakness if they do this to the depletion of themselves. Relators have a tendency to put themselves last and to rescue those around them, which is why it's important for Relators to create their own financial safety net or put on their own financial oxygen mask first.

One financial habit that is incredibly important for Relators is to hide your long-term savings in something other than cash. Put it onto your mortgage rather than in your offset account and ignore or reduce your redraw amount. (This is very different to the advice I give other Money Types.) Or put it into superannuation where you can't access it (depending of course on your age and your goals) or put it into shares, an index fund or a managed fund if you're less likely to dip into it there. It's about saving you from yourself and your need to help others to the detriment of your own financial health in the long term.

Relators are generally an incredibly empathetic group of people. They're the ones most likely to give to donation drives, help friends and family and show up with their time and money. They're also the most at risk of feeling

overwhelmed and choosing to opt out financially for themselves if it seems too hard or too much. It's vital for Relators to do the basic financial habits exercises in [Chapter 12](#) to ensure they have goals they're emotionally attached to (rather than goals they think they should have) as well as a savings plan they stick to that is automated and they can forget about so that if they do feel overwhelmed and want to stop this doesn't negatively impact their financial future. The key work is to ensure the goals are ones you are emotionally attached to. If you don't feel an emotional attachment to your goals, throw them out and start again or reframe them until you do.

For example, your goal might be to own your own home but you find that difficult to be excited about when there are so many other worthy causes to give to or things you want to experience. But by reframing that goal to one where you own a permanent home that's a safe haven for friends and loved ones and a place where you can care for your mother, whose health is failing —this goal might be one that emotionally affects you and that you're motivated to work towards. You will have created an emotional connection to a goal because others are also helped rather than just working towards something you think you should be doing.

Another important habit if you're a Relator is to discover ways to invest that benefit you and also harness your strong motivation to benefit others. You won't necessarily be motivated by your own interests, but you will put your money towards other people and causes. This could mean seeking out investments that excite you because of the difference being made, such as investing in low-cost housing or an ethical index fund, where you're looking after your financial future but also promoting social causes and businesses that are doing good.

Investing in long-term assets is an important habit for a Relator because it means they can't easily be accessed or given away. While a Relator might feel safest with an investment property, they're the most likely to let a relative or friend rent it cheaply (or even live in it for free). So, making sure you purchase assets that are right for you (not for the benefit of someone else) or are far removed from your geographical region may be a consideration for you.

Great habits for Relators allow them to make a goal that is emotional and then make the accountability social. You're the most externally motivated of the Money Types, so joining accountability groups, making an accountability group with your friends or family and investing with friends and family you trust are great ways for you to meet your needs of helping others while at the same time helping yourself. This also makes great scientific sense. Research conducted by Dr Gail Matthews from the Dominican University of California found that people who write down their goals, then give a friend weekly updates on their progress, were 33 per cent more successful in accomplishing what they set out to do than those who didn't commit to similar goal-based actions. Harnessing the collaborator and connector strengths of your Money

Type can be a great way to ensure you reach your goals. Using technology can help with this. For example, savings goals can be shared by setting up a closed Facebook group or WhatsApp group and using it to check in and encourage each other.

Using technology like apps and social media can also be a useful tool for areas where you struggle financially, such as your inability to ask others for money that you've loaned them or that they owe you after you've paid for a bill or a restaurant meal. For example, apps such as Venmo or Splitwise can be used to remind friends they owe you money and keep track of shared expenses and IOUs allowing everyone in the group to see the amount they owe. Splitwise sends reminders at the end of the month so everyone can pay up and go into a new month with a fresh start, which means you won't feel uncomfortable about asking for money.

Relators are particularly strong in a team or collaborative environment and setting up financial environments that play to this strength is important. If you're single, a great habit to start you investing might be to invest with friends, siblings or others (that you trust) if you're less motivated to help yourself. If you're a solo operator in business, a great habit might be joining a business advisory group that meets monthly, working from a shared office space or establishing a business support program with like-minded solo operators.

Real-Life Examples

A Relator colleague of mine is someone I'll call Tracey. When we had financial discussions, Tracey told me she's completely overwhelmed by what's happening globally and the natural disasters that are being broadcast so regularly on the news and social media. She finds herself donating and donating until she's scared to look at how much she's actually given and what the balance will be in her bank account. Tracey admits to wanting to enjoy today and 'to hell with tomorrow' because she doesn't know what tomorrow will look like.

To help manage her distress, her innate need to help and her tendency to opt out, Tracey has set up multiple bank accounts and a system of automation to help reduce her spending, which has allowed her to donate with confidence to causes she cares about. She has a holiday account, a giving account, an everyday account and a bills account. It was important to Tracey that a percentage of her income be donated so she also created a bank account and an automation for giving. This meant she felt more relaxed because she had prioritised something she highly valued. Tracey already acknowledges that she'll donate more than what is in the giving account, but by limiting any extra giving to her everyday account she has created her own financial safety net as well. Tracey recognised she couldn't afford to go on an annual overseas holiday and save and give back, so she chose to go on an

overseas trip once every three years instead of annually. Tracey also realised she wants the security of her own home and part of delaying gratification with her holiday will allow her to save for a deposit.

Tracey travels with friends and she has in the past helped pay for some of their airfares to ensure the entire group can go away. The group is already planning a holiday in three years' time to South America and Tracey has organised for them to open a joint bank account together that requires all holders' signatures to make any withdrawals. Everyone has automated a regular amount to be transferred to it and they have created a WhatsApp group to encourage each other. They've agreed that if life happens and someone can't go and needs their funds, they'll be refunded the amount they've contributed in full. Some of the group have admitted this 'forced savings' is the first time they'll go on a trip where it hasn't been put on a credit card. Some of the women within the friendship group as a result are even talking about and sharing other ways they could possibly save and invest together, or go into business together. They're also sharing other financial habits they're employing, which is making money social, relatable and just another thing they talk about. Tracey admitted to me that she's enjoying all of the above as much as she suspects she'll enjoy the holiday itself.

Another example of a Relator is a client I'll call Rob. Rob cares deeply for his family and his partner and wants the best for them. As Rob reached his mid-forties he was concerned that, despite enjoying some incredible regular experiences with friends overseas, he didn't own his own home and really owned very few tangible assets. Rob realised that some of his financial problems arose because he didn't really feel settled with his partner and he was also uncertain about the next step in his career. That meant he was reluctant to purchase a permanent home, despite very much wanting this safety net. Rob also was the rescuer for his brother and parents, who would come to him regularly for loans that no-one intended for them to pay back.

Rob ended up appreciating that he needed to give himself some self-love and prioritise putting on his own financial oxygen mask. This image really resonated with him and he decided to save for an investment property. To do this, Rob opened separate bank accounts and popped stickers on his two debit cards—one that said 'Go', which was for his everyday account, and one that said 'Stop', which was for his bills account. This was a visual reminder for him if he was tempted to use his bills account for anything other than a bill as well as approval for him to spend from his everyday account. On the few occasions where he did sneakily try to hand over his bills account card, the shop assistant would ask if he meant to use that card because it had 'Stop' on it, which was another reminder not to use that card.

Rob automated his savings into a high interest online account and asked a good friend he trusted to change the password so he couldn't access it. He set up two-step security afterwards to protect himself, and to prevent his

friend accessing his funds as he didn't know the password. He appreciated that he could choose to click on 'Forgot password' and access the funds but that the extra effort also provided a barrier for him. Rob asked this friend to be his accountability buddy and the two agreed they would meet each week for coffee, both to hold Rob to his savings goals and to talk through any times he was tempted to lend money to his family.

Rob then had a meeting with his family where he explained he had received an income cut (which was true because his savings goals had reduced his available income) and he would no longer be able to loan them money. However, he told his parents he'd instead be transferring a small weekly amount to their account to subsidise their expenses. This met Rob's need to care for his family financially as well as protecting himself.

Within twelve months, Rob had reached his deposit goal. He did this by purchasing a house in another state at a mid-market value that he felt safe with. He also paid mortgage insurance as he didn't have a 20 per cent deposit but felt comfortable paying because he knew this was a long-term investment. Besides, he knew he wouldn't miss a mortgage repayment, but he was concerned he might ultimately stop with any savings goals.

THE WRAP-UP

Among all the theories and examples of these money habits, some will relate, some will seem obvious, some might pique your curiosity, while some might even seem absurd. That's all okay and even to be expected.

When it comes to finding the right habits for you, trial one you're interested in, see how it fits, adapt it and then try another habit. Or try a habit out and, if it's not right, reject it and try another, until you have a suite of habits that's right for you. Creating good financial habits is about building incremental changes that will compound over time. It's no different from brushing your teeth, choosing to lift weights daily or learning a language. The trick is to create new, strong neural pathways to build lifelong habits you're motivated to stick with.

You may have noticed that in none of these examples have I talked about budgets. That's because, as you know by now, for most of us budgets simply don't work, in the same way that diets don't work. They're restrictive and they involve you allocating income to all the many things you could possibly be spending on with often only a teeny bit left over for saving. Instead, I've talked about setting up different bank accounts, automating, direct debiting, hiding savings from ourselves, outsourcing, gamifying, accountability, asking provocative questions, property ownership, index funds, multiple income streams, businesses, using technology and so much more.

If you love a good budget, go nuts! But for most of us the system I recommend is identifying a series of basic financial habits and combining them with great habits for your unique Money Type and Money Story and

small behavioural changes that work for you to see you to the financial future you've designed for yourself. Hallelujah, I know.

Once you've created a suite of habits that works for you 90 per cent of the time, the question I want you to ask is: What about the other 10 per cent? When you're stressed or time poor or you drop income or a pandemic hits? What then? That's what the next chapter is all about.

Often habits don't work, are put to one side or are abandoned completely when we're stressed, when things go wrong or when life happens. I want to make sure you have not only created a suite of habits for when life is calm but also designed a set of emergency habits for when things go wrong. Because they will. Rather than defaulting to pressing the emergency stop button, pulling on the handbrake or sabotaging financially, I want you to have a positive financial strategy for when those stressors arrive. It's the next step in creating a well-rounded suite of habits that is right for your unique Financial Phenotype, and you will discover how to do this in the next chapter.

STRESSORS AND SABOTAGE

In the last few chapters, I talked about positive money habits to trial and implement that are unique to our Financial Phenotypes. However, I also want to acknowledge that many of us unconsciously adopt negative money habits, particularly when we're stressed, that can sabotage us financially and undo all our good work.

Unfortunately, not many of us are immune from stress, and it's probably no surprise that experts suggest it's on the rise in our modern society, often brought about by the very society we're creating. Certainly, at the current moment in time, we're experiencing heightened episodes of stress—whether that's from global pandemics, bushfires or plummeting superannuation balances. The question I want to answer here is: How do we financially react during short or prolonged periods of stress?

Now, not all stress is bad. Stress is a normal part of life for everyone—it's definitely a normal part of everyday life for me. Some stress is good and can trigger your 'fight or flight' mechanism to help you handle emergencies. It can increase our awareness in difficult or dangerous situations, allowing us to act quickly in the moment. But if stress is constant over time, it can be detrimental to our health and it's the detrimental side of stress on our finances that I'm most interested in discussing here.

Stress, as we currently understand it today, is a construct mostly attributed to Hans Selye who developed the concept in a 1946 paper. Prior to that, stress had very little to do with our frame of mind and was more to do with adversity—the word stress was notably used in engineering to describe the effect on materials.

Since then, there have been many studies that measure both the positive and negative effect of stress on our bodies and emotional states, such as the study conducted in 2015 by Silvia Maier, Aidan Makwana, and Todd Hare reported as 'Acute Stress Impairs Self-Control in Goal-Directed Choice by Altering Multiple Functional Connections within the Brain's Decision Circuits'. The name of the study kind of gives the ending away, but it's of interest to us here because it looks at stress, temptation and our old friend,

self-control.

In the study, the researchers tested 22 participants who were chosen because they wanted to maintain a healthy lifestyle but struggled with eating junk food and therefore faced day to day self-control challenges. The researchers split the participants into two groups—the stress and control groups. The difference between the two groups was that during the three hours the participants spent in the lab, the stress group had to immerse their hand in an ice water bath for three minutes while being videotaped. They were told not to communicate with the videographer and while they could remove their hand from the ice bath if it became too cold, they were not allowed to look away from the camera. The control group meanwhile had the same experience except they had to keep their hand in a warm water bath for the same length of time and the experiment wasn't taped.

I don't know about you, but I can guess the result. The majority of the stress group reached for the unhealthy food option to reward themselves for going through their ordeal. The researchers found that

stressed participants' choices were more affected by short-term taste reward and that they encoded taste more strongly in portions of the amygdalae and ventral striatum. Furthermore, the stress manipulation increased task-dependent connectivity between these limbic regions and a portion of the ventromedial prefrontal cortex (vmPFC) that represented integrated stimulus value ... In addition, increased stress levels were associated with decreased connectivity between vmPFC and dorsolateral prefrontal cortex (dlPFC) regions that were activated when engaging self-control.

In other words, short-term stress caused participants not only to abandon their long-term health goals, but their brain activity was similarly altered. If you remember back to [Chapter 7](#), these are the regions of the brain we talked about that reduced individuals' self-control over food choices.

We already know from our discussions in previous chapters that most of us suffer from a lack of self-control. If we understand that even moderate stressors will influence our self-control and choices, it becomes imperative to create systems and habits that ensure we don't financially sabotage when these stressors arrive. Because they will.

Of course, one of the issues when it comes to money and stress is that for many of us, our finances alone are an enormous source of stress.

According to the annual 'Stress & Wellbeing' report by the Australian Psychological Society, finances regularly top our list of worries or stressors. 'Australians' worries about money have not abated. Financial issues are rated as the top cause of stress over the five years [from 2011–2015]. In other words, never mind the increase in modern life stressors generally; our finances alone can lead to increased stress.

This financial stress can adversely affect our health and our ability to think

rationally and calmly and to make smart financial decisions. A 2013 paper published by Anandi Mani, Sendhil Mullainathan, Eldar Shafir and Jiaying Zhao from Princeton University reported that financial stress caused participants to perform worse on common comprehension, intelligence and logic tests. On average, those in the stress group had a drop in testing results akin to a 13-point drop in IQ or the loss of an entire night's sleep.

Financial stress may differ depending on your age and demographic. According to a 2017 Bank of America Merrill Lynch Workplace Benefits Report, millennials are twice as likely as baby boomers to report that stress interferes with work with nearly 6 in 10 believing that financial stress is negatively affecting their health. In Australia, despite over two decades of GDP growth, the Centre for Social Impact in their report 'Financial Resilience in Australia 2016', reported that 'the overall level of financial resilience in Australia decreased between 2015 to 2016 ... 2.4 million adults were financially vulnerable and there was a significant decreased in the proportion who were financially secure (35.7% to 31.2%)'. According to statistics reported in the Australian Human Rights Commission's 'Older Women's Risk of Homelessness: Background Paper', women aged 55 and over 'was the fastest growing cohort of homeless Australians between 2011 and 2016, increasing by 31 per cent'.

In other words, financial stress is on the rise both in subsections of our population as well as in growing parts of our population as a whole. That's why bringing awareness to both general stressors and our financial stressors is important, so that, when we are facing tough times or tough moments, we don't simply fall into mindless, default behaviours that negatively affect our finances. Because when we're stressed, we're not generally thinking about cause and effect. Often, we're sabotaging when we're in the midst of it—when it's too hard to think—because we're so freaking stressed. Instead, we think about how we've financially sabotaged after the fact, when we're trying to clean up the mess we made because we were affected by our stressors and behaving in a way that was contrary to the beautiful plans we laid out for ourselves. We're often ashamed of our behaviour so we try not to think about it—other than mentally berating ourselves.

That's why I believe it's vital to develop a series of habits to swap for those stress-related sabotaging behaviours before the stressful situations arise. This may involve creating a series of behaviours that aren't financially related at all, but instead create an environment where you're less stressed overall.

Let's return to the research example with food choice after the participants hand was in the ice bath. The ice bath had nothing to do with food, but it caused the participants, when they were given a choice of foods, to reach for the unhelpful option. Here, we're acknowledging that there are environments and circumstances that may have nothing to do with our finances that can cause us to be stressed and behave in a way that's not financially helpful. And we want to proactively create different habits and

environments to counteract that.

Research supports this approach. A 2016 study by Erik Monasterio, Omer Mei-Dan, Anthony Hackney, Amy Lane, Igor Zwir, Sandor Rozsa and Robert Cloninger, ‘Stress Reactivity and Personality in Extreme Sport Athletes: The psychobiology of BASE jumpers’. The researchers chose BASE jumpers because ‘extreme sports athletes provide an unusual opportunity to understand the effects of variable combinations of traits and situations that may influence their decision-making and stress reactivity’. The researchers looked at the personality of the athletes but also their ability to monitor their stress levels—in other words to self-control.

While most of us aren’t extreme athletes, many of us at some point can experience varying degrees of financial stress, and our ability to monitor our stress levels and to self-control is key to financial stability. That monitoring and regulating doesn’t necessarily include financial habits. Perhaps it’s engaging with apps that use assisted meditation techniques, turning off our mobile phone, placing our email on hold, moving our body, increasing our sleep and using devices that regulate and improve our sleep patterns. They’re all techniques we can use to reduce our stress levels and, in doing so, protect our finances.

When we’re thinking about a plan to deal with how we behave financially when we’re stressed, I think it’s helpful to look at those who are already planning well for stress—in the world of business.

Starbucks, for example, regularly and consistently teaches its employees how to handle stressful situations in the workplace with something they call ‘inflection points’. Inflection points are stressful moments during the day—for example it could be an encounter with a customer who is complaining. Employees are taught to practice their response to these inflection points over and over again so that when the stressful situation happens in real life, their response is chosen through habit rather than an uncontrolled, automatic fight or flight stress response.

Here we’re doing the same thing. It’s first recognising the stressors or inflection points in your life, second having a plan that anticipates how you will surmount these moments in time and then finally practising that plan and those habits for when the inflection points or stressors arise.

As for what these habits will look like in real life, I thought I’d share a few from my experience.

I’ve shared in [Chapter 4](#) how my Money Story is about ‘not enough’ and ensuring I have enough power, safety and control. When life stressors appear, or when I feel backed into a corner or stripped of power and control, I tend to try to gain them back somehow. Often the easiest way to do that is with my finances. As a Discerner Money Type, I’m often prone to overthinking and coming up with backup strategies. This can work for or against me, as you’ll see below.

When I’m stressed, I tend to do three things. First, I come up with new

ideas, new revenue streams for my businesses or ideas around how we could blow up what we're currently doing, and I throw myself into that, using the basement behaviours of my hybrid Discerner and Worker Money Types. I spend countless hours (seven days a week) planning, strategising and, in the past, spending way too much time and money chasing some of these ideas. Now, I'm not saying it's bad to chase ideas, but when you're overspending simply to try to regain control over a situation, it's not good. Especially for your finances.

The second thing I do is to slam the brakes on managing my personal finances (spending excepted). It's almost as though I'm so busy in my business coming up with new ventures and overspending on them that that I can justify pressing 'Pause' on my personal finances. And really by pause I mean I press 'Stop'. I'm late on my tax returns (not good for an accountant), I can't deal with the small things and I can't make purchasing decisions around investment assets that I've already decided will be right to buy. During this time, I become so incredibly frustrated at myself that I overcompensate by working on even more ideas, and the cycle continues. Interestingly, I also usually stop exercising and meditating here and start binge-eating chocolate by the fistful.

However, the third thing I do in this cycle could be the most damaging if those new ventures from step one aren't successful (which thankfully most are): I spend personally. It's at this point that I'm making the most of my VIP status at Net-a-Porter because I'm busy, I'm harried, I'm exhausted and I'm not seeing any immediate rewards with things I've planned personally, so I figure I may as well see rewards come in the forms of pretty things delivered via courier. By now, my default spending is often in conflict with my values around sustainability and ethical consumption so shame kicks in. And the cycle continues.

Stress and how I manage it has the power to derail me financially if I'm not careful but, if I'm honest, it also has the capacity to derail me physically and mentally. And has in the past. Because I'm avoiding what's really going on for me and throwing bandaids on gaping wounds through all this frenetic activity.

Your own stressors and sabotages will be different. But the important thing is to recognise them and come up with a plan both for when they do, and for before they even first appear.

What sort of plan do I put in place to limit my stressors and sabotaging behaviour? I lean into a routine of meditating, laying off the chocolate, making sure my breathing is deep and not shallow and exercising regularly. I also make sure I'm having weekly date nights with my husband, getting a weekly laughter dose with my bestie Rod and going for weekly lunchtime walks with my work wife, Lauren. I commit to monthly catch-ups with my business pack and quarterly dinners with my old LBD tribe, and I commit to not working one full day a weekend.

Now, this all might seem silly and very non-financial, but I can spot when I'm at risk of stress and financial sabotage when two or more of these things stop happening. These routines are like my canary in the coal mine so I can push the emergency button quickly and easily as soon as I notice them.

For me, pressing the emergency button looks like this: I instantly commit to a 30-day financial detox where I can't buy any new wants for a whole month. I immediately book in to my diary a long weekend of nothing but reading and sleeping, where I turn off my phone. If necessary, I make an emergency appointment with a therapist, and recently I've started doing the Broad Place High Vibrational Living Challenge, which is fourteen days of no chocolate, no wine, no coffee, moving daily, meditating twice-daily and practising gratitude daily.

But I've also created a suite of financial habits which means I don't have to hit that emergency stop button as often. Creating a suite of habits for my Financial Phenotype such as the ones I talked about in [Chapter 13](#) means I have an automated, unconscious basis for how to financially behave.

Now it's your turn.

First, start by looking at your general environment and thinking about the great general non-financial habits that reduce your overall stress levels. These might be moving for 30 minutes each day, reducing your sugar intake, stopping for 15 minutes and mindfully enjoying your daily latte, a weekly game of touch football with good friends or daily meditation. Next, look at your financial habits and for patterns that emerge during times when you're stressed, and recognise how this results in sabotaging financial behaviour. It's often easier to recognise them when you list them so grab a piece of paper and write them down. Once you've recognised those times you do financially sabotage when stressed, you need to come up with an alternative strategy or alternative behaviours you might employ instead.

Finally, start to become a detective and recognise those inflection points or moments that cause you stress. Most of us don't need to look too far to find a point of stress—even if it's the recent global pandemic and our own reaction to that and its impact on our finances. But we're not looking here just at the global stressors; stress occurs often in the everyday moments. For example, it might be an angry co-worker, an overwhelmed customer, a sick parent, confrontation or dealing with trauma. It's often helpful if you keep a stress log or diary of your stressors so that you can start to recognise them when they turn up again and you can immediately implement your plan to deal with them.

This chapter is all about the 10 per cent of life when your general financial habits don't work for you. It's about making a plan now to mitigate the sabotaging effect of those times when you are stressed and ensuring you're acting in your best financial interests.

Again, this is about making the unconscious conscious so that you can direct your life and take control of your finances. By recognising stressors

and your related sabotaging behaviours, you can start creating an environment and setting up great financial habits that work best for your unique Financial Phenotype—for the whole of your life.

HABITS WORKSHEET RECAP

By now you're used to the recap but it's particularly important when it comes to habits because here it's about making tangible differences to how you interact and behave with money. As we've discussed, there are so many habits you could adopt. For your purposes here, it's a case of developing a routine of choosing a habit, trialling it, seeing if it's right for you and, if it's not right, rejecting it and trying another one. Or if it is right for you, embedding it and adding another.

As with the exercises before, grab a piece of paper and write out the questions below, allowing space in between for you to add your answers. (Or again, you can head to the 'Musings' section at melissabrowne.com.au, click on 'Your Financial Phenotype Resources' and download the worksheet, which contains all the examples and exercises from within this book.)

If you're struggling to work out the habits to try first, a series of test questions to ask yourself are posed by James Clear in his book *Atomic Habits*:

- What feels like fun to me, but work to others?
- What makes me lose track of time?
- Where do I get greater returns than the average person?
- What comes naturally to me?

If I apply these test questions to my financial habits, I know I'm very competitive, so despite being a Discerner Money Type it would make logical sense that gamification would possibly work well for me because when I'm competitive (particularly with myself), I do well.

When testing financial habits, it's helpful to keep a record of what works and what doesn't and why. Copy the headings below onto a sheet of paper or into your phone and keep track of what works, what didn't and what you're trialling next.

Money habits that I believe will work best for me that I want

to trial:

Habit
Date Trialled
Habit Rejected/Accepted

Next, look at your stressors and your sabotaging behaviours. Copy out and then write your responses to the following questions:

- What great general non-financial habits could I put in place to reduce my overall stress levels?
- When I'm stressed I may sabotage by:
- Instead I could:

Remember, with all of the above you won't get it right the first time, and it probably will feel hard initially. But through trial and error you can create a bespoke financial environment that works for you.

COMPULSION AND ADDICTION

Our culture teaches us about shame—it dictates what is acceptable and what is not. We weren't born craving perfect bodies. We weren't born afraid to tell our stories. We weren't born with a fear of getting too old to feel valuable. We weren't born with a Pottery Barn catalog in one hand and heartbreaking debt in the other. Shame comes from outside of us—from the messages and expectations of our culture. What comes from the inside of us is a very human need to belong, to relate.

Brené Brown

I cannot in all good conscience talk about Financial Phenotypes, Money Stories and Money Types without talking about addiction and compulsion. That's because a small percentage of you are caught up in a cycle of addictive and compulsive behaviour when it comes to your finances and what I want to do is highlight that, to acknowledge this is something entirely different from the usual Money Type or Story that you can create a suite of habits for. It's a situation where your brain has quite literally been hijacked and I want to encourage you to seek professional help.

It's important to understand there is a difference between someone who enjoys a little shopping and a shopping addict. There is a difference between someone who enjoys a flutter at the tracks and a gambling addict.

While we might logically understand the difference between enjoyment and addiction, researchers and scientists still don't understand why we become addicted. We don't truly understand the cause of addiction and whether that should be attributed more to nature or to nurture. What we do understand, however, is the key role addiction plays with the brain.

A Harvard Mental Health Letter published in July 2011 as 'How addiction hijacks the brain' put it best and because addiction is such an important, sensitive and highly nuanced subject, I want to quote part of that letter here.

Addiction exerts a long and powerful influence on the brain that

manifests in three distinct ways: craving for the object of addiction, loss of control over its use, and continuing involvement with it despite adverse consequences.

According to the current theory about addiction, dopamine interacts with another neurotransmitter, glutamate, to take over the brain's system of reward-related learning. This system has an important role in sustaining life because it links activities needed for human survival (such as eating and sex) with pleasure and reward. The reward circuit in the brain includes areas involved with motivation and memory as well as with pleasure. Addictive substances and behaviors stimulate the same circuit—and then overload it. Repeated exposure to an addictive substance or behavior causes nerve cells in the nucleus accumbens and the prefrontal cortex (the area of the brain involved in planning and executing tasks) to communicate in a way that couples liking something with wanting it, in turn driving us to go after it. That is, this process motivates us to take action to seek out the source of pleasure.

I wanted to spell this out clearly to recognise that addiction is real and can be studied through what is happening in our bodies and our behaviour. However, it's also something that we can recover from—but only if we choose to.

There is so much talk about spenders and savers in the media. There are lighthearted books written about shopaholics and even a movie, but very little is written about the serious side of financial compulsion and addiction. Today gamblers and addictive shoppers can be advertised to everywhere and are often carrying with them every day a device that won't allow them to escape their habit—their smartphone.

Let's look at shopping addiction. In the US study 'The Prevalence of Compulsive Buying', researchers discovered that compulsive shopping affects approximately 5 per cent of people and females are nine times more likely to be affected than males. However, I believe that compulsive buying is likely to increase for men with the evolution of digital commerce. It's simply much faster and easier to spend now than ever before.

While compulsive buying is not listed as an addiction in the Diagnostic and Statistical Manual of Mental Disorders (DSM), researchers have been recognising its cause and effect for some time. As early as 1915, the German psychiatrist Emil Kraepelin described it in his textbook *Psychiatrie* as 'buying maniacs (oniomaniacs) in whom even buying is compulsive and leads to senseless contraction of debts with continuous delay of payment until a catastrophe clears the situation a little—a little bit, never altogether, because they never admit to all their debt'.

In an article, '5 Patterns of Compulsive Buying', Shahram Heshmat lists the stages a compulsive shopper goes through as being similar to other

addictive disorders:

Making impulse purchases and hiding these purchases from others

Experiencing a “Buyers high”

Using shopping to fulfil unresolved emotions and feelings

Feeling regret once the purchase after the purchase has been made

Pain from the unresolved experience of shopping and then moving to step one again

While the book series Shopaholics might have seemed cute and funny, compulsive shopping isn't a laughing matter. Instead, shopping is something we're actively encouraged to do by media, by retailers and by our peers, and, as a result, compulsive shoppers' behaviour is often normalised.

As with other addictive behaviours, what we do understand is that willpower and self-control alone simply doesn't stop the behaviour. Donald Black, in his 2016 article 'A review of compulsive buying disorder', reported that '92 per cent tried to resist their urges (to compulsively shop) but were rarely successful. The subjects indicated that 74 per cent of the time they experienced an urge to buy, the urge resulted in a purchase'.

Now, some people might believe people simply over-shop because they're bored or unmotivated.

Financially addictive behaviour is different.

It's compulsive and it's secretive. While you experience an initial high over it, the truth is you're deeply ashamed of your behaviour. If you suspect this is you, please know I see you and I'm urging you to get help. Don't write this off as simply being your Money Type or your unchangeable Money Story because it's not.

If you have compulsive and addictive financial behaviour (I've only mentioned compulsive shopping but it may otherwise be gambling or other addictive financial behaviours) please seek help. If you're in debt as a result, speak to a debt counsellor as well as a counsellor or therapist. Until you deal with the underlying cause of your shopping, gambling or other financially compulsive habits, all the books and courses in the world won't help.

In their book *Addicted?*, Matt Noffs and Keiran Palmer talk about the myth that you may have an addictive personality and they say:

There is very little to support this assertion ... When we begin to uncover the reasons behind why we become addicted to specific things—drugs, sex, video games, apps, smart-phones, the internet—it's easy to notice recurring patterns. But despite everything we've assumed about it, addiction, it turns out, is not a single syndrome. It is not a disease. It is not an absence of morals. It is neither evil nor good. Addiction is multifaceted. Addiction is natural. And it will happen to

most of us at some stage of our life in varying ways.

Life is handing so many of us who have compulsive tendencies (myself included) the tools to financially screw ourselves over. From mobile shopping devices (our phones) to easy access to credit and ‘buy now pay later’ platforms, it’s easier than ever before to develop compulsive financial behaviour and not understand how to stop.

And companies are encouraged by their shareholders and their need to grow their profits to motivate this addictive behaviour.

Don’t believe me? In the book *Hooked: How to build habit-forming products*, authors Nir Eyal and Ryan Hoover write, ‘A habit is at work when users feel a tad bored and instantly open Twitter. They feel a pang of loneliness and before rational thought occurs, they are scrolling through their Facebook feeds. A question comes to mind and before searching their brains, they query Google. The first-to-mind solution wins. In [chapter 1](#) of this book, we explore the competitive advantages of habit-forming products.’ Now, the authors used the word ‘habit-forming’, but you could easily substitute the word ‘addictive’.

When we think of our Money Environment, it’s important to understand some companies are setting us up to financially fail by forming habit-forming or addictive products and technology. And it’s important to design an environment so you don’t fall victim to that.

One of the reasons it was so important for me to include a chapter on addiction and compulsion in this book is because of my own family history. Throughout the generations in my family there are patterns of addiction and compulsion that have manifested in alcoholism, drug abuse, eating disorders, burnout and more.

Personally, I am prone to compulsive behaviour. I have been diagnosed in the past with PTSD and still need to manage the symptoms of that in my day to day life. Otherwise, when I’m stressed, they can manifest in obsessive compulsive type behaviour. This behaviour includes an inability to cope with sound, light and touch, and results in behaviour that tries desperately to control my exposure to these things. As I mentioned in [chapter 14](#), I have a toolkit that I use to manage my stress level because I know if I don’t it will result in financially sabotaging, compulsive behaviour as a way to regain some type of control. Which of course, as I described back in [chapter 14](#), has quite the opposite effect.

But it’s only by owning this part of my life—as messy and uncomfortable as it is—that I’m able to do something about it. It’s only by understanding how I behave and my inclinations and by creating an environment that’s right for me that I’m able to limit the effects PTSD and the related compulsive behaviours have on both my life and my finances.

Now, if I can publicly state and own this—someone who is supposed to be naturally good with money—surely you can too. But acknowledging that I’m

susceptible to compulsive behaviour that can be problematic for my finances was only step one. Step two was minimising the impact of this behaviour through working with a freaking good therapist, understanding my Financial Phenotype and creating a Money Environment and habits that are right for me. What I know is that if you're prepared to acknowledge how you act, how you behave, and to seek help—I promise you that you can do something about it too.

What I want to say here, gently and lovingly, is that if you are engaging in behaviour that you know or suspect occurs because you haven't addressed emotional issues, please seek help. I know I mentioned this above but I'm mentioning it again because it's so important. This can be professional financial counselling if you're in debt, but I highly encourage you to also speak to a trained therapist.

There's no shame in admitting you're not coping.

Trust me.

Chances are your compulsive or addictive behaviours make you deeply ashamed, but if you choose to do something to change those behaviours, they don't have to define you or trap you.

If you suspect you suffer from financial compulsion or addiction, be assured that this issue is real and rife in our modern society and choose, like me, to seek help.

If you're in debt as a result of addiction, speak to a debt counsellor. In Australia, you can call the National Debt Helpline (ndh.org.au) on 1800 007 007. There are also organisations such as Good Shepherd Microfinance (goodshepherdmicrofinance.org.au) who offer no-interest loans and fair and affordable financial programs to people on low incomes. Or you might seek help from a registered therapist. In Australia, try the Australian Counselling Association (theaca.net.au) and the Psychotherapy and Counselling Federation of Australia (pacfa.org.au). If you live outside Australia, you should be able to find registered therapists online via professional organisations in your country.

WHERE TO FROM HERE

A number of years ago, I decided to face up to something that happened to me when I was a teenager. This was a tough, significant, traumatising thing and I didn't believe I had the resources to deal with it on my own. So, I booked in to see a very experienced therapist.

I remember the therapist asked in one of our very first sessions what I'd most like to achieve out of our time together. Quite rationally and calmly I explained that I was looking for the psychological equivalent of being able to pour bleach over my memories and erase them. I wanted to whitewash my story and to be able to do life without it weighing so heavily on me.

The therapist was very kind and suggested that even if she could do that (and it was potentially an option), the body stores memories and a lot of the physical symptoms I was experiencing were a direct result of both the trauma I had experienced and my body having stored its response to it. What we needed to do was listen to my body and to both quieten and reset how it was responding to everyday life. To find techniques, habits and more that would calm down its responses to situations where it was no longer threatened (which I didn't realise weren't normal). By the time I finished the many sessions I had with her, I had a toolkit of techniques I could employ—some of which I've mentioned in this book—that were a direct result of my own story. I'm incredibly grateful for them and continue to use them on a daily basis.

The reason I tell this story is because I can guarantee that most of you, when reading this book, have had insights into your own unconscious behaviour which you were unaware was the result of your Money Story, Money Environment or Money Type. I can say quite confidently that most of you have never thought to make that link.

Yes, like me, you might have wished you could erase some bad or limiting financial memories, decisions or behaviours but you didn't realise why you behaved that way. And more importantly, you weren't aware that techniques existed that you could employ for your own unique Financial Phenotype that would help you move out of the Money Story, Money Environment or

weaknesses of your Money Type, play to your strengths and fulfil your financial potential.

Hopefully, you've had more than just insights (because that is really only the first baby step) and have started to create a series of habits you can employ that are unique to you and will form your very own financial toolkit. You'll get the most out of this book and all your learnings not when your Financial Phenotype is just something nice to know, but when you do something about it.

That's because, sure, I might have recognised with the assistance of my therapist the link between my own story, my body's reactions as an adult and how I behaved in my life as a result. I might even have identified tools I could use to manage how that was harming me and amplify where it was helping. But until I actively used those tools in my day-to-day life, they were absolutely useless.

It's the same for your finances.

As I've said throughout this book, I don't want your Financial Phenotype to be something that's nice to know, something that you've identified and can recognise but don't do anything about. Instead, I want it to be transformational and to impact your finances positively. That means you're going to have to do something about what you've learned here.

I hope you choose today to discover and maybe rewrite your Money Story, to fashion a helpful Money Environment, to recognise and understand your Money Type, and to create and use your bespoke suite of habits daily to help you fulfil your financial potential and live a life not by default but by design.

Let me know how you go.

Mel x

ACKNOWLEDGEMENTS

While sitting at a laptop and writing is a solo endeavour, the writing of a book is almost never without help.

Thank you firstly to my incredible husband, Tony, an intensely private man, who first realised he had a presence on social media when friends of mine started referring to him as the #baldsexyman (sorry, honey). Thank you for allowing me to tell your story here, offering encouragement, helping me find the strength to own my story, helping me talk through concepts and constructs and always being in my corner. And most importantly, for keeping me fed and rubbing my feet. I love you.

Thank you to my work wife and co-founder at The Money Barre, Lauren, for coming on this ride with me. Thank you for celebrating successes so loudly and robustly and for encouraging me to never play it safe.

Thank you to my bestie and co-founder at Thinkers.inq, Rod, for your constant love and messages of support and for knowing me so well. I'm always surprised where life takes us, and dipping into the Dunedin Study here, which is something you talk about often, was so much fun. Thank you for what you're doing in the lives of the little ones in our care at Thinkers.inq to ensure that they continue to develop so positively. I love doing life with you.

These three people and so many more, including my monthly advisory business pack, my ex-LBD gals and others in my tribe, are key players in my own strong financial and supportive environment and I'm so incredibly grateful for them.

Thank you to all the guests who have vulnerably spoken about their Money Stories on my podcast Uncensored Money, including Jacqui Lewis and Cathie Reid. Thank you also to Letitia Colautti for your eager support when I hit you up with questions and the references and examples you often share with me unprompted that are so helpful in the work that I do, some of which I've used in this book.

Finally, thank you to the many people who have reached out to me and told me their Money Stories and money experiences as a result of reading

Unf*ck Your Finances, completing one of my courses or hearing me speak. You inspire me to continue building a movement of people who are creating transformational change, not simply in their own lives but in the lives and community of those around them. You make this socially awkward introvert incredibly grateful with your stories, your messages and your grabbing me in the street to tell me what a difference it has made to you and your finances, even if I'm not always capable of showing it.

ABOUT

Mel

Today I own multi-million-dollar businesses and am financially independent, but it wasn't always that way: I certainly wasn't always good at money or business and had to claw my way back from less than zero in my early thirties. I've learned the hard way that until I understood my own Money Story, Money Environment and Money Type, I would continue to financially stumble and self-sabotage.

The problem is, for so long I stumbled on my own. There really wasn't anyone to talk to about it.

That's because, for women particularly, there is an almighty ick factor when it comes to money. Nice girls don't talk about it and they certainly don't say they want more of it. The problem is, if we want to become financially empowered, to have choice, to make societal change, to raise funds for great causes, to reduce the wage gap and to look after ourselves in our old age, we kind of need to start financially adulting.

Let's be clear: I'm not your typical money or business chick. Yes, I'm an accountant, financial advisor and entrepreneur, but I'm also a financial wellness advocate, financial coach and occasional therapist as well as an educator, speaker, strategist, mentor and multiple business owner. I'm as comfortable talking about scarcity mentality, comparison culture, being child-free and shame as I am about bank accounts, habits, shares, investing and entrepreneurship. Oh, and shoes. I can talk shoes for days.

My job is to help people reduce their financial overwhelm, to understand why they behave the way they do with their finances and to design a life they're excited about.

My passion is to help women in particular move from where they are now to a place they didn't even believe could exist for them. To become financially empowered and financially well both personally and in their business. To have courageous conversations—whether they're about finances, money, business or one of the many other things we're avoiding in life.

I'm a multi-award-winning entrepreneur. In 2019 I sold A&TA, an

accounting firm I started eighteen years earlier, for seven figures. I'm a co-founder and CEO of The Money Barre, a financial education business for millennial, Gen X and Y women, and a co-founder and director of business at Thinkers.inq which runs innovative long-day childcare centres and preschools based on creative and critical thinking.

I've also previously written three books: *More Money for Shoes*, *Fabulous but Broke* and the global bestseller *Unf*ck Your Finances*.

WANT TO WORK WITH ME?

I want to help you create transformational change around your finances or your business. I do that through speaking, workshops, writing, coaching, online courses and in a limited capacity one on one. Head to www.melissabrowne.com.au for more information.

Online

Yes, they're online courses but you still get weekly live Q&As with me and Lauren as well as the opportunity to book one-on-one sessions within the course. Whether you want to transform your business or your personal finances, my online courses have been designed for you to deep dive and figure out why you're behaving the way you do and to access great habits, tips, tricks and knowledge so you can be a success in the game of money or business. You can subscribe at www.melissabrowne.courses.

One on One

I know what it takes to build a highly profitable business—I've done it three times myself and have worked with thousands of people over the years to help them too. Today, I mentor or coach no more than six people a year to help them boost their business while Lauren works with a small number of individuals as an accountability wealthcoach. I also work with small groups of businesswomen in a group learning and accountability capacity. To find out more and apply, please email me at hello@melissabrowne.com.au and tell me why you'd love to work with me.

Corporates, Universities and Other Organisations

I work with organisations through workshops, speaking, running financial literacy programs with online and offline components or acting as a spokesperson. If you're after someone to work with you to help present research, create content or deliver a message to an audience in a different way, then shoot an email to me at hello@melissabrowne.com.au explaining more.

Stay in Touch

Follow, like, subscribe, comment or drop me a line. I'd love to keep in touch and find out what you're doing as a result of understanding your Financial Phenotype. You can find me at these places:

Web:

www.melissabrowne.com.au

www.melissabrowne.courses

www.themoneybarre.com.au

Email:

hello@melissabrowne.com.au

Insta:

moremoneyforshoes

Twitter:

melbrowne_

Facebook:

The Money Barre